

1 BRIAN L. BUDSBERG, WSBA#11225
2 Budsberg Law Group, PLLC
3 P.O. Box 1489
4 Olympia, WA 98507-1489
5 Telephone: (360) 584-9093
6 Facsimile: (360) 252-8333
7 Attorney for Creditor

JUDGE KAREN OVERSTREET
Location Seattle
Chapter 11
Hearing Date: February 4, 2011
Hearing Time: 9:30 a.m.
Response Date: January 28, 2011

8 UNITED STATES BANKRUPTCY COURT
9 WESTERN DISTRICT OF WASHINGTON

10 In re
11 SYNERGISTIC ENTERPRISES, INC.
12 SUSTAINABLE ENTERPRISES, LLC.

13 Debtors.

No. 10-23256

No. 10-23257

OBJECTION TO CHAPTER 11 PLAN
& COMBINED DISCLOSURE
STATEMENT

14 OBJECTION

15 COMES NOW, Creditor Charles Utterback and Trust Company of America ("TCA"), by
16 and through his attorney of record, Brian L. Budsberg, pursuant to LR 3020-1(b) and hereby
17 OBJECTS to Debtors' Chapter 11 Plan and Combined Disclosure Statement and requests the
18 Court set an evidentiary hearing. This objection is based upon the files and records herein
19 incorporated by this reference, and any other matters the Court may or must take judicial notice
20 of.

21 JURISDICTION

22 Confirmation of a Chapter 11 plan is a core matter under 28 U.S.C. § 157(b) over which
23 this court has jurisdiction to enter a final order. This court has jurisdiction over Debtors' Chapter
24 11 case pursuant to 28 U.S.C. § 1334 and 157(a).

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BACKGROUND

Nathaniel Lodwig is president of Synergistic Enterprises, Inc., and a member of Sustainable Enterprises, LLC. In September 2009, Charles Utterback filed an action in state court for judicial foreclosure on some deeds of trust that secured notes between TCA and Debtors. **Exhibit 1: Complaint & accompanying exhibits in Grays Harbor Sup. Ct. Cause No. 10-2-01154-1.** Both Synergistic Enterprises, Inc. and Sustainable Enterprises, LLC are owned and/or controlled by Nathaniel Lodwig and Gregory Lodwig. Both entities are in default on loans made by TCA and both are now seeking bankruptcy protection. Debtors and TCA have had multiple loans and an ongoing financial business relationship.

In September, 2008, Debtor and Nathaniel Lodwig executed a promissory note secured by a deed of trust in favor of Trust Company of America C/F Charles Utterback, #81028, for \$250,000 (Note #1).

In December, 2008, the parties executed a promissory note secured by a deed of trust for \$155,000 (Note #2).

In October, 2008, Debtor and TCA executed a promissory note secured by a deed of trust for \$500,000 (Note #3). Note #3 is secured by eight deeds of trust that had secured previous notes. Note #3 consolidated eight prior notes and deeds of trust for the convenience of Debtor.

Debtor filed for bankruptcy on November 2nd, 2010. On November 8th, 2010, the Grays Harbor County Superior Court granted partial summary judgment against Nathaniel Lodwig and Gregory Lodwig, who were co-makers on the notes but did not personally file for bankruptcy protection. The court entered three judgments: 1)Note #1, against Nathaniel Lodwig, for \$195,563.12, with interest at 12% per annum from the date of judgment; 2)Note #2, against

1 Nathaniel Lodwig and Gregory Lodwig, jointly and severally for \$129,486.78 with interest at
2 12% per annum from the date of judgment; and, 3) Note #3, against Nathaniel Lodwig and
3 Gregory Lodwig, jointly and severally, for \$298,966.41 with interest at 12% per annum from the
4 date of judgment. (Total amount = \$624,016.31). Exhibit 2; Certified copies of Judgments in
5 Grays Harbor Cause No. 10-2-01154-1.

6
7 TCA has taken no further action against Synergistic or Sustainable, and has not pursued
8 foreclosure because of the stay imposed by the bankruptcy court.

9 TCA'S ARGUMENTS

10 TCA argues first that the Debtor is mischaracterizing the debtor/creditor relationship
11 between the parties in this case.

12 TCA argues second that the Debtor has not fairly and properly allocated or computed all
13 of the debt owed.

14 TCA argues third, that the creditor/debtor relationship has been conclusively established
15 during the Grays Harbor County Superior Court summary judgment proceedings. The arguments
16 that were made during the summary judgment motion on behalf of the Lodwigs as individuals
17 are the same as the arguments that could be made on behalf of the corporations Synergistic and
18 Sustainable Enterprises. At the state court level, the co-maker on the notes did not defend, and
19 allowed the entry of a judgment which TCA argues establishes the debt relationship between the
20 parties. Every argument that the Debtor alludes to as inappropriate in the context of the debt
21 relationship could have been raised by the co-makers on the notes in the Grays Harbor County
22 case. Even if the Court does not consider the Debtor to be estopped from raising new arguments
23 in the bankruptcy proceeding, the state court action established the debtor/creditor relationship
24 between the parties.
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CHAPTER 11 PLAN CONFIRMATIONS

To confirm a plan of reorganization, the plan must be proposed in good faith, be feasible and fair and equitable pursuant to 11 U.S.C. §§ 1129(a)(3), (a)(11), (b)(1) and (b)(2)(A). TCA argues that the plan does not provide a fair and equitable distribution of the estate, and the values submitted by Debtor for the estate property are not accurate.

EVIDENTIARY STANDARD

The proponent of a plan must demonstrate that the requirements of § 1129 are satisfied. Debtor Synergistic Enterprises and Sustainable Enterprises, debtors-in-possession carry the burden of proving that a Chapter 11 plan complies with the statutory requirements of §§ 1129(a) & (b) by a preponderance of the evidence. *In re Arnold and Baker Farms*, 177 B.R. 648, 654 (9th Cir. BAP 1994), *aff'd*, 85 F.3d 1415 (9th Cir.1996), *cert. denied*, 519 U.S. 1054, 117 S.Ct. 681, 136 L.Ed.2d 607 (1997). “Proof by the preponderance of the evidence means that it is sufficient to persuade the finder of fact that the proposition is more likely true than not.” *Id.*, at 654.

Debtor’s proposed plan provides in reference to Trust Company of America’s claim:

- A. Class 4A. Trust Company of America. The Debtor shall transfer the following property to Trust Company of America, in full satisfaction of its debt under Section 506 of the Bankruptcy Code and this Plan. This transfer shall fully satisfy the existing Notes and Deeds held by the Claimant currently on the entire properties owned by the debtor. The Debtor asserts that the value of that section of property is equal, or greater, than the amount owed to Trust Company of America, and the transfer of the properties on the effective date of this Plan shall fully satisfy this claim.

Following the transfer of the property, Trust Company of America will reconvey the Notes and Deed of Trust currently secured on the balance of the property (as shown in Exhibit A) owned by the estate.

1 FAIR VALUE

2 TCA argues that under the proposed plan, it will not receive fair value from the properties
3 listed by Debtor. There is not enough equity in the property to cover the amount of debt owed.
4 TCA argues that his secured claims exceed the value of the properties by over \$175,000.

5 In the context of the bankruptcy code, equity means “the difference between the property
6 value and the total amount of liens against it.” Stewart v. Gurley, 745 F.2d 1194, 1195 (9th Cir.
7 1984). The balance due to TCA on Note #1 and Note #3 as of October, 2010 totaled
8 \$491,682.17. In addition to the loans, there are property taxes, LID’s, association dues and
9 assessments that constitute liens on the properties totaling \$114,451.92.

10 The total amount of the liens against the properties is \$606,134.09. According to recent
11 appraisals obtained by TCA, the Properties are worth between \$350,000.00 and \$371,500.00.
12 (Decl. of Jeff Daniel; Decl. of Jim Donahoe).

13 According to the Debtor, the lots listed in the plan, which includes several of the lower
14 value lots, amount to \$623,100(62% of assessed value of \$1,005,000). Even if the Property is
15 worth this amount, there is still no equity. The Court deducts the cost of sale in determining
16 equity. In re Bach, No. 4:06-BK-01614-JMM, 2007 WL 39342, at *3 (Bankr. D. Az. Jan. 5,
17 2007) (deducting broker's commissions and other closing costs in determining equity under
18 Section 362(d)(2)); In re Development, Inc., 36 B.R. 998, 1007 (Bankr. D. Haw. 1984)
19 (deducting post petition interest and closing costs in determining an equity cushion under Section
20 362(d)(1)). Costs of sale of these properties are expected to be about 15% of sale price.
21 (Declaration of Donahoe). In addition, under Section 506(b), if TCA were over secured, it
22 would be entitled to post petition interest, and post petition attorney's fees and costs. If there is
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1 any equity in the properties, that equity will be wiped out by closing costs and post petition
2 interest, fees and costs. There is no equity in the properties.

3 TCA argues in opposition to the plan that the values assigned to the properties listed by
4 Debtor do not reflect actual fair value. In the context of good faith purchases in other areas of
5 the Bankruptcy Code, **“fair value” is generally found when a purchaser pays 75% of the**
6 **appraised value of the assets.** In re Ewell, 958 F.2d 276, 281(9th Cir. 1992)(discussing 11
7 U.S.C. § 363(m) protecting good faith purchasers).
8

9 Debtor is alleging that under its proposed plan, TCA would receive an average of 62% of
10 the assessed value of the properties, presuming that past market trends and sales continue. TCA
11 argues that the actual value it would receive under the plan would be approximately 30% of the
12 County assessed value. (Decl. of Jim Donhoe; and Decl. of Jeff Daniel).

13 TCA argues that the Court should not consider the statistics proposed by debtor in terms
14 of average actual land sales in Ocean Shores because a large number of lots in the city have
15 water frontage, or are on the PGA rated golf course. This skews the figures because none of the
16 lots in this case are waterfront, or on the golf course. It is common knowledge that lots on the
17 beach, lakes, bays and canals tend to carry higher values in general; as do golf course lots. In
18 order to get a more accurate accounting of the value of each lot, the Court should use comparable
19 sales. The lots in this case are undeveloped interior lots with no utilities.
20

21 Examples of disparate properties debtor is comparing to:

- 22 •132 N. Narwhal Loop (This was not a sale. Mr. Utterback got this and five other
23 properties back through a foreclosure)
- 24 •221 Canal Dr. S.E. (Water Front)
- 25 •243 Duck Lake Dr. N.E. (Lake Front)
- 26 •562 Makah Ave. S.E. (Canal Front)

1 •799 Albion Ave. S.E. (Canal Front)

2 •373 Canal Dr. N.E. (Canal Front)

3 •731 Swan Ct. S.E. (Canal Front)

4 •499 Bass Ave. N.E. (Canal Front)

5 •291 Dolphin Ave. N.E. (Golf Course)

6
7 TCA urges the Court not to adopt the debtors' formula for valuation of the property and
8 asks that the Court consider the figures from the real estate experts, Jim Donahoe, and Jeff
9 Daniel. They work for companies in Ocean Shores, have been real estate agents for several
10 years, and have valued the properties based upon properties that are comparable to the Lodwigs
11 inventory of lots.
12

13 Without considering various LID assessments and Homeowners Association assessments
14 outstanding against several of the properties, the total estimated market value of the properties
15 securing Note #1 is \$166,400. (Decl. of Jeff Daniel). The total estimated market value of the
16 properties securing Note #2 is \$111,800, and for Note #3, \$205,100.

17 Considering expected sales costs of about 15%, the total value to TCA of all the property
18 is approximately \$410,805. Debtor has listed 29 properties in the plan. The notes secure
19 approximately 40 properties, many of which have higher values than the lots proposed to be
20 given over by Debtor for satisfaction of the approximately \$625,000 owed.
21

22 TCA argues that it is fully secured in all of the property of the estate and the contracts on
23 those properties, and Debtor is not entitled to give back some of the properties and keep the rest.
24 The debtor's strategy is to keep the properties that are free of liens, and properties that have
25 income in the form of contracts, and give over to the estate the underwater properties.
26

The estate's 40 properties are listed in the table below, together with market values estimated by Jeff Daniel. The properties are all undeveloped parcels in Ocean Shores.

Common Address	Parcel Number	90 day RE list price
Synergistic Re-Fi (Note #3)		Nov 2010
542 O/S Blvd SW	091700010000	\$19,900.00
844 Pt Brown Ave	092500001200	35,000.00
473 Hilo Ct	094100400400	4,000.00
640 O/S Blvd SW	092100004700	19,900.00
958 Wawona Ave	094300203500	20,000.00
164 S Port Lp SW	090700071700	12,500.00
252 Calawah St	091700027700	10,000.00
132 Calawah St	091700030100	10,000.00
151 Seagate St	092300070100	11,500.00
804 Anchor Ave	090100408400	10,000.00
269 Ensign Ave NW	090300048600	11,500.00
165 S Narwhal Lp SW	090700060300	12,900.00
213 N Wynoochee Dr SW	092100012800	12,900.00
1428 Sand Pebble Ave	094101003600	15,000.00
TOTAL		\$205,100.00
Synergistic (Note #1)		
163 Pt Brown Ave SW	090700056600	\$9,500.00
148 Calawah St SW	091700029700	10,000.00
655 Pt Brown Ave SW	092100015600	9,500.00
760 Tern Ct SE	092700044200	10,000.00
870 Mt Olympus Ave SE	092700048000	10,000.00
Torrisdale Ave SW	093100601800	12,900.00
923 Beachcomber Ct	093101702900	11,500.00
950 Wawona Ave SE	094300101800	12,000.00
218 Duck Lake Dr NE	094900500900	11,000.00
254 Duck Lake Dr NE	094900500300	11,000.00
359 Duck Lake Dr NE	094900206500	11,000.00
633 Duck Lake Dr NE	091100011700	11,000.00
220 Duck Lake Dr SE	094900302100	11,000.00
105 Sunrise Ave SE	094900305600	17,000.00
585 Sunset Ave NE	095101203100	9,000.00

Common Address	Parcel Number	90 day RE list price
TOTAL		\$166,400.00
Sustainable (Note #2)		
157 Goldeneye	093101700400	\$9,500.00
835 Anchor Ave	090100412000	9,500.00
256 Clover Creek Ave NW	090300051400	11,500.00
419 S Portal Lp	094100900300	8,000.00
375 Snahapish Ave SE	091900003900	10,000.00
379 Snahapish Ave SE	091900004000	10,000.00
1435 Kailua Ct	094100903300	4,000.00
708 Island Cr SE	092700027800	12,900.00
828 Teal Ct SE	092700046500	11,500.00
30 Bayview Ln	707000200900	19,900.00
Bayview Estates	707000301000	5,000.00
TOTAL		\$111,800.00
GRAND TOTAL		\$483,300.00

TCA argues that even if the estate retains all of the properties, and contracts on the properties, the value will still be well below the \$625,000 debt.

THIRD PARTY SALES AND CONTRACTS

In addition to the unsold properties, there are notes and/or contracts sold to third parties subject to TCA's deeds of trust that should also be assets of the bankruptcy estate. From time to time, TCA released certain properties as partial reconveyances according to the terms of the deeds of trust securing the notes. TCA allowed four properties to be sold to third parties subject to the deed of trust on Note #1, one property on Note #2, and six on Note #3. Synergistic financed the purchases. The notes and/or contracts on these sales should be considered assets of the bankruptcy estate.

TCA's secured claims against Synergistic Enterprises, Inc. (Note #1 and Note #3) exceed the value of the properties that secure those claims by over \$176,000. TCA's secured claim

1 against Sustainable Enterprises, LLC (Note #2) exceeds the value of the properties that secure it
2 by over \$33,000.

3 Debtor has no known means or resources with which to bring the notes current. TCA
4 will not provide additional financing to the Debtor. Decl. of Diane Irvin, ¶22.

5 The proposed plan does not provide for a fair valuation of the estate. Even according to
6 the Debtor's schedules, there is no equity in the estate after deduction of closing costs, and post
7 petition interest and attorney's fees and costs. The properties are more than \$250,000 underwater
8 according to the opinions of Daniels and Donahoe. (Decl. of Jim Donahoe; and Decl. of Jeff
9 Daniel). The properties do not produce the cash necessary to fund a plan and pay creditors. The
10 Debtor does not have the capital or income necessary to sustain the proposed plan.
11

12 RELIEF REQUESTED

13 That the Court set an evidentiary hearing; 1) to determine the fair value of the subject
14 property; 2) to determine the amount of debt owed; and 3) to determine which property serves as
15 the collateral for the debt.
16

17 CONCLUSION

18 At its core, Debtors' plan seeks to return property in exchange for debt, allows the Debtor
19 to keep some of the lots that are generating income from outstanding contracts, and free them of
20 any interest or obligations to TCA. Any trade for property in the plan can only be done after an
21 evidentiary hearing with a fair and accurate determination of value having been determined.
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2 TCA argues that the disclosure statement mischaracterizes the relationship between TCA,
3 Debtors, and the estate. TCA argues that the disclosure statement must be rewritten to reflect the
4 state court established relationship between the parties, and acknowledge the debt fixed by the
5 state court.
6

7 DATED this 28th day of January, 2011

8
9 /s/ Brian L. Budsberg

10 BRIAN L. BUDSBERG, WSBA#11225
11 ATTORNEY FOR CREDITOR
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EXHIBIT 1

RECEIVED

SEP 13 2010

CUSHMAN LAW OFFICES

☐ EXPEDITE

☐ Hearing is set:

Date: _____

Time: _____

Judge/Calendar: _____

FILED

9 2010

CLERK

SUPERIOR COURT OF WASHINGTON FOR GRAYS HARBOR COUNTY

TRUST COMPANY OF AMERICA C/F
CHARLES E. UTTERBACK, #81028;
and CHARLES E. UTTERBACK;

Plaintiffs,

v.

SYNERGISTIC ENTERPRISES, INC., a
Washington corporation; SUSTAINABLE
ENTERPRISES, LLC, a Washington
limited liability company; NATHANIEL
LODWIG; GREGORY LODWIG;
JAMES C. OHLER, SR. and
ROSALINDA T. OHLER, husband and
wife; MARK BHEND and JOAN E.
BHEND, husband and wife; HOANG M.
TRAN and MAI NGUYEN, husband and
wife; PETE SIKOV and HELEN SIKOV,
husband and wife; DORETO R.
ESCOBAR and CLAUDIA ESCOBAR,
husband and wife; JOAN ELKINS, a
single woman; GWENDOLYN
VELORIA, a single woman; MICHAEL
A. WARMOTH, a single man; TRACY C.
BOYER, as his separate estate; and
BRIAN FAHSHOLTZ and NICOLE
FAHSHOLTZ, husband and wife;

Defendants.

No. 10-2 2154-1

COMPLAINT FOR DAMAGES FOR
DEFAULT ON PROMISSORY
NOTES AND FOR FORECLOSURE
OF DEEDS OF TRUST SECURING
SAID NOTES

COME NOW PLAINTIFFS Trust Company of America C/F Charles E. Utterback, #81028; and
Charles E. Utterback; by and through their attorneys Jon E. Cushman and Cushman Law Offices, P.S.,

COMPLAINT FOR DAMAGES FOR DEFAULT
ON PROMISSORY NOTES AND FOR FORECLOSURE
OF DEEDS OF TRUST SECURING SAID NOTES-I

2235.001
w/c JEC, Client

CUSHMAN
LAW OFFICES, P.S.
ATTORNEYS AT LAW

924 CAPITOL WAY SOUTH
OLYMPIA, WASHINGTON 98501
(360) 534-9183 FAX: (360) 956-9795

1 and, for a cause of action against the above named defendants, allege and state the following:

2 **I. STATUS OF PARTIES**

3 **1.1 Status of Plaintiffs.**

4 a. Plaintiff Trust Company of America C/F Charles E. Utterback, #81028, is
5 custodian for the self-directed Individual Retirement Account of Charles E. Utterback. Trust Company
6 of America C/F Charles E. Utterback, #81028, is the holder of two (2) Promissory Notes and the
7 beneficiary of two (2) Deeds of Trust hereinafter described and is authorized to bring this action.

8 b. Plaintiff Charles Utterback is a resident of Ocean Shores, Grays Harbor County,
9 Washington. Plaintiff is the holder of nine (9) Promissory Notes and the beneficiary of eight (8) Deeds
10 of Trust hereinafter described and is authorized to bring this action.

11 **1.2 Status of Defendants.**

12 a. Defendant Synergistic Enterprises, Inc. is a Washington corporation with principal
13 place of business in King County, Washington, doing business in Grays Harbor County, Washington,
14 and claiming an interest in property subject to this foreclosure action.

15 b. Defendant Sustainable Enterprises, LLC, is a Washington limited liability
16 company with principal place of business in King County, Washington, doing business in Grays Harbor
17 County, Washington, and claiming an interest in property subject to this foreclosure action.

18 c. Defendant Nathaniel Lodwig is a resident of King County, Washington, claiming
19 an interest in property subject to this foreclosure action. He is president of Synergistic Enterprises, Inc.,
20 and a member of Sustainable Enterprises, LLC.

21 d. Defendant Gregory Lodwig is a resident of King County, Washington, claiming
22 an interest in property subject to this foreclosure action.

23 e. Defendants James C. Ohler, Sr. and Rosalinda T. Ohler are residents of University
24 Place, Pierce County, Washington, claiming an interest in property subject to this foreclosure action.
25 Upon information and belief, plaintiff alleges that at all times material hereto, defendants James C.
26 Ohler, Sr. and Rosalinda T. Ohler were husband and wife and all acts complained of herein were
27 performed for the benefit of their marital community.

1 f. Defendants Mark Bhend and Joan E. Bhend are residents of Everett, Snohomish
2 County, Washington, claiming an interest in property subject to this foreclosure action. Upon
3 information and belief, plaintiff alleges that at all times material hereto, defendants Mark Bhend and
4 Joan E. Bhend were husband and wife and all acts complained of herein were performed for the benefit
5 of their marital community.

6 g. Defendants Hoang M. Tran and Mai Nguyen are residents of Clackamas County,
7 Oregon, claiming an interest in property subject to this foreclosure action. Upon information and belief,
8 plaintiff alleges that at all times material hereto, defendants Hoang M. Tran and Mai Nguyen were
9 husband and wife and all acts complained of herein were performed for the benefit of their marital
10 community.

11 h. Defendants Pete Sikov and Helen Sikov are residents of King County,
12 Washington, claiming an interest in property subject to this foreclosure action. Upon information and
13 belief, plaintiff alleges that at all times material hereto, defendants Pete Sikov and Helen Sikov were
14 husband and wife and all acts complained of herein were performed for the benefit of their marital
15 community.

16 i. Defendants Doreto R. Escobar and Claudia Escobar are residents of King County,
17 Washington, claiming an interest in property subject to this foreclosure action. Upon information and
18 belief, plaintiff alleges that at all times material hereto, defendants Doreto R. Escobar and Claudia
19 Escobar were husband and wife and all acts complained of herein were performed for the benefit of their
20 marital community.

21 j. Defendant Joan Elkins is a resident of Grays Harbor County, Washington,
22 claiming an interest in property subject to this foreclosure action.

23 k. Defendant Gwendolyn Veloria is a resident of Port Orchard, Kitsap County,
24 Washington, claiming an interest in property subject to this foreclosure action.

25 l. Defendant Michael A. Warmoth claims an interest in property subject to this
26 foreclosure action.

27 m. Defendant Tracy C. Boyer is a resident of Olympia, Thurston County,
28

1 Washington, claiming an interest in property subject to this foreclosure action.

2 n. Defendants Brian Fahsholtz and Nicole Fahsholtz claim an interest in property
3 subject to this foreclosure action. Upon information and belief, plaintiff alleges that at all times material
4 hereto, defendants Brian Fahsholtz and Nicole Fahsholtz were husband and wife and all acts complained
5 of herein were performed for the benefit of their marital community.

6 **1.3 Jurisdiction and Venue.** The real property that is the subject of this action is located
7 in Grays Harbor County, Washington. Thus, venue is proper in the Superior Court of Grays Harbor
8 County.

9 **1.4 Other Suits and Actions.** No other suits or actions have been instituted or are now
10 pending under the Promissory Notes or Deeds of Trust herein.

11 **1.5 Military Service.** Upon information and belief, plaintiff alleges that none of the
12 defendants are in the military service of the United States of America.

13 **II. PLAINTIFF'S CAUSE OF ACTION #1: \$250,000 NOTE**

14 **2.1 Execution of the \$250,000 Promissory Note.** On or about September 19, 2008,
15 defendants Synergistic Enterprises, Inc. and Nathaniel Lodwig, for valuable consideration, made,
16 executed, and delivered to plaintiff Trust Company of America C/F Charles E. Utterback, #81028, their
17 written Promissory Note (hereafter "Note #1") in the original principal amount of \$250,000.00. A true
18 and correct copy of Note #1 is attached hereto as Exhibit A and incorporated by reference.

19 **2.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
20 Note #1 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
21 Lodwig, for valuable consideration and in order to secure the repayment of Note #1, made, executed and
22 delivered to plaintiff Trust Company of America C/F Charles E. Utterback, #81028, a written Deed of
23 Trust (hereafter "DOT #1") covering the following 27 parcels situate in Grays Harbor County,
24 Washington: Assessor's Property Tax Parcel Nos.: 090300028702, 090900030400, 090900036600,
25 091300017000, 091700029700, 091900010400, 091900010700, 092100015600, 092700044200,
26 092700048000, 093100601800, 093101702900, 093900701500, 094100702200, 094300101800,
27 094500102900, 094900206500, 094900207800, 094900302100, 094900305600, 094900400500,

094900500300, 094900500900, 095101203100, 090700056600, 091100011700, 092900040200. DOT #1 was thereafter recorded on September 19, 2008 under Grays Harbor County Auditor's File No. 2008-09190084. A true and correct copy of DOT #1 is attached hereto as Exhibit B and incorporated by reference.

2.3 Release of Certain Properties. From time to time, plaintiff has released certain properties as partial reconveyances according to the terms of DOT #1. At the date of this complaint, DOT #1 covers 19 properties, the following having been released: 094900207800, 090300028702, 094500102900, 090900030400, 091900010700, 091900010400, 091300017000, 094900400500.

2.4 Modification of Note #1. On or about September 23, 2009, plaintiffs and defendants Synergistic Enterprises, Inc., Nathaniel Ludwig, and Gregory Ludwig entered into an agreement to modify Note #1 and Note #3 (see below, Plaintiff's Cause of Action #3). As part of this agreement, the principal balance of Note #1 was increased, the principal balance of Note #3 was decreased, and the monthly payments on both notes were decreased. A true and correct copy of this modification agreement is attached hereto as Exhibit C and incorporated by reference.

2.5 Current Ownership of Note #1 and DOT #1. Plaintiff Trust Company of America C/F Charles E. Utterback, #81028, is now the owner and holder of Note #1 and beneficiary of DOT #1.

2.6 Default in Payment and Amount Due. As fully appears in Note #1 and DOT #1, defendants Synergistic Enterprises, Inc. and Nathaniel Ludwig promised to pay the principal sum of \$250,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until paid. Despite demand for payment, defendants Synergistic Enterprises, Inc. and Nathaniel Ludwig have failed to make the monthly payments as required according to the terms of Note #1. By this action, plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and costs, to be immediately due and payable. There is now due and owing on Note #1 the principal sum of \$180,409.56, together with accrued and unpaid interest at 18% from August 27, 2010, together with unpaid late and collection charges, fees, and costs.

2.7 Costs and Attorney Fees. As fully appears in Note #1 and DOT #1, in the event of any action to collect on Note #1 or to foreclose DOT #1, there shall be included in the judgment a

1 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #1 and DOT #1
2 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
3 action, including the cost of a title search to determine the necessary parties to the action, as well as such
4 other sums which plaintiff may advance under the terms of Note #1 and DOT #1.

5 **2.8 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
6 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
7 property.

8 **2.9 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
9 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
10 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, Inc. and Nathaniel
11 Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

12 **III. PLAINTIFF'S CAUSE OF ACTION #2: \$155,000 NOTE**

13 **3.1 Execution of the \$155,000 Promissory Note.** On or about December 17, 2008,
14 defendants Sustainable Enterprises, LLC, Nathaniel Lodwig, and Gregory Lodwig, for valuable
15 consideration, made, executed, and delivered to plaintiff Trust Company of America C/F Charles E.
16 Utterback, #81028, their written Promissory Note (hereafter "Note #2") in the original principal amount
17 of \$155,000.00. A true and correct copy of Note #2 is attached hereto as Exhibit D and incorporated by
18 reference.

19 **3.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
20 Note #2 and as part of the same transaction, defendants Sustainable Enterprises, LLC, Nathaniel Lodwig,
21 and Gregory Lodwig, for valuable consideration and in order to secure the repayment of Note #2, made,
22 executed and delivered to plaintiff Trust Company of America C/F Charles E. Utterback, #81028, a
23 written Deed of Trust (hereafter "DOT #2") covering the following 15 parcels situate in Grays Harbor
24 County, Washington: Assessor's Property Tax Parcel Nos.: 090100412000, 090101928300,
25 090300051400, 091900003900, 091900004000, 092700027800, 092700035100, 092700046500,
26 092900018500, 093101700400, 093300805900, 707000200900, 707000301000, 094100900300,
27 094100903300. DOT #2 was thereafter recorded on December 17, 2008 under Grays Harbor County
28

1 Auditor's File No. 2008-12170040. A true and correct copy of DOT #2 is attached hereto as Exhibit E
2 and incorporated by reference.

3 **3.3 Release of Certain Properties.** From time to time, plaintiff has released certain
4 properties as partial reconveyances according to the terms of DOT #2. At the date of this complaint,
5 DOT #2 covers 12 properties, the following having been released: 090101928300, 092700035100,
6 093300805900.

7 **3.4 Current Ownership of Note #2 and DOT #2.** Plaintiff Trust Company of America
8 C/F Charles E. Utterback, #81028, is now the owner and holder of Note #2 and beneficiary of DOT #2.

9 **3.5 Default in Payment and Amount Due.** As fully appears in Note #2 and DOT #2,
10 defendants Sustainable Enterprises, LLC, Nathaniel Lodwig, and Gregory Lodwig promised to pay the
11 principal sum of \$155,000.00, together with interest thereon at the rate of 12% per annum on the
12 deferred balance until paid. Despite demand for payment, defendants Sustainable Enterprises, LLC,
13 Nathaniel Lodwig, and Gregory Lodwig have failed to make the monthly payments as required according
14 to the terms of Note #2. By this action, plaintiff declares the entire unpaid principal balance, together
15 with accrued and unpaid interest, fees, and costs, to be immediately due and payable. There is now due
16 and owing on Note #2 the principal sum of \$119,075.63, together with accrued and unpaid interest at
17 18% from August 27, 2010, together with unpaid late and collection charges, fees, and costs.

18 **3.6 Costs and Attorney Fees.** As fully appears in Note #2 and DOT #2, in the event of
19 any action to collect on Note #2 or to foreclose DOT #2, there shall be included in the judgment a
20 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #2 and DOT #2
21 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
22 action, including the cost of a title search to determine the necessary parties to the action, as well as such
23 other sums which plaintiff may advance under the terms of Note #2 and DOT #2.

24 **3.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
25 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
26 property.

27 **3.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
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1 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
2 amount of the judgment not satisfied by the sale. Defendants Sustainable Enterprises, LLC, Nathaniel
3 Lodwig, and Gregory Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

4 IV. PLAINTIFF'S CAUSE OF ACTION #3: \$500,000 NOTE

5 4.1 Execution of the \$500,000 Promissory Note. On or about October 23, 2008,
6 defendants Synergistic Enterprises, Inc., Nathaniel Lodwig, and Gregory Lodwig, for valuable
7 consideration, made, executed, and delivered to plaintiff Charles E. Utterback their written Promissory
8 Note (hereafter "Note #3") in the original principal amount of \$500,000.00. Plaintiff accepted Note #3
9 for the benefit of defendants as evidence of consolidation of pre-existing debts on Notes #4-#11,
10 described below (Plaintiff's causes of action #4-11). Note #3 did not satisfy Notes #4-#11. The deeds of
11 trust that continue to secure Notes #4-#11 also secure Note #3. By pleading Notes #4-#11 below,
12 plaintiff does not seek double recovery, but simply to recount the facts in full. A true and correct copy of
13 Note #3 is attached hereto as Exhibit F and incorporated by reference.

14 4.2 Security for Note #3. Note #3 provides that it is secured by eight (8) deeds of
15 trust (DOTs #4-#11, described below), which, taken together at the time of execution of Note #3,
16 covered the following 29 properties situate in Grays Harbor County, Washington: Assessor's Property
17 Tax Parcel Nos.: 092700004100, 092700004200, 093100701500, 092700004000, 091700010000,
18 092500001200, 093900204600, 094100400400, 092100004700, 094300203500, 090700037300,
19 090700071700, 091700027700, 091700030100, 092300033400, 092300070100, 090100408400,
20 090300048600, 090700060300, 092300066800, 092300071000, 092100009400, 091700017900,
21 091900041000, 092100012800, 093300401300, 094100700900, 094101003600, 094700800800.

22 4.3 Release of Certain Properties. From time to time, plaintiff has released certain
23 properties as partial reconveyances according to the terms of Note #3. At the date of this complaint, Note
24 #3 is secured by 20 properties, the following having been released: 093100701500, 090700037300,
25 092300033400, 092300071000, 091700017900, 091900041000, 093300401300, 094700800800,
26 093900204600.

27 4.4 Modification of Note #3. On or about September 23, 2009, plaintiffs and defendants
28

1 Synergistic Enterprises, Inc., Nathaniel Lodwig, and Gregory Lodwig entered into an agreement to
2 modify Note #1 and Note #3. As part of this agreement, the principal balance of Note #1 was increased,
3 the principal balance of Note #3 was decreased, and the monthly payments on both notes were
4 decreased. A true and correct copy of this modification agreement is attached hereto as Exhibit C and
5 incorporated by reference.

6 **4.5 Current Ownership of Note #3 and Pertinent Deeds of Trust.** Plaintiff Charles E.
7 Utterback is now the owner and holder of Note #3 and beneficiary of the deeds of trust that secure Note
8 #3.

9 **4.6 Default in Payment and Amount Due.** As fully appears in Note #3, defendants
10 Synergistic Enterprises, Inc., Nathaniel Lodwig, and Gregory Lodwig promised to pay the principal sum
11 of \$500,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
12 paid. Despite demand for payment, defendants Synergistic Enterprises, Inc., Nathaniel Lodwig, and
13 Gregory Lodwig have failed to make the monthly payments as required according to the terms of Note
14 #3. By this action, plaintiff declares the entire unpaid principal balance, together with accrued and
15 unpaid interest, fees, and costs, to be immediately due and payable. There is now due and owing on Note
16 #3 the principal sum of \$270,298.33, together with accrued and unpaid interest at 18% from August 27,
17 2010, together with unpaid late and collection charges, fees, and costs.

18 **4.7 Costs and Attorney Fees.** As fully appears in Note #3, in the event of any action to
19 collect on Note #3, there shall be included in the judgment a reasonable sum for attorneys' fees, together
20 with costs of the action. The terms of Note #3 and the deeds of trust that secure Note #3 also provide that
21 there shall be included in the judgment plaintiff's costs incurred in connection with the action, including
22 the cost of a title search to determine the necessary parties to the action, as well as such other sums
23 which plaintiff may advance under the terms of Note #3 and the deeds of trust that secure Note #3.

24 **4.8 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
25 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
26 property.

27 **4.9 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
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1 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
2 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, Inc., Nathaniel
3 Lodwig, and Gregory Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

4 **V. PLAINTIFF'S CAUSE OF ACTION #4: DECEMBER 31, 2007, NOTE**

5 **5.1 Execution of the December 31, 2007, Promissory Note.** On or about December 31,
6 2007, defendants Synergistic Enterprises, Inc. and Nathaniel Lodwig, for valuable consideration, made,
7 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
8 #4") in the original principal amount of \$47,500.00. A true and correct copy of Note #4 is attached
9 hereto as Exhibit G and incorporated by reference.

10 **5.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
11 Note #4 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
12 Lodwig, for valuable consideration and in order to secure the repayment of Note #4, made, executed and
13 delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #4") covering the
14 following two (2) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel
15 Nos.: 092700004200, 093100701500. DOT #4 was thereafter recorded on December 31, 2007 under
16 Grays Harbor County Auditor's File No. 2007-12310007. A true and correct copy of DOT #4 is attached
17 hereto as Exhibit H and incorporated by reference.

18 **5.3 Release of Certain Properties.** From time to time, plaintiff has released certain
19 properties as partial reconveyances according to the terms of DOT #4. At the date of this complaint,
20 DOT #4 covers one (1) parcel, the following having been released: 093100701500.

21 **5.4 Current Ownership of Note #4 and DOT #4.** Plaintiff Charles E. Utterback is now
22 the owner and holder of Note #4 and beneficiary of DOT #4.

23 **5.5 Default in Payment and Amount Due.** As fully appears in Note #4 and DOT #4,
24 defendants Synergistic Enterprises, Inc. and Nathaniel Lodwig promised to pay the principal sum of
25 \$47,500.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
26 paid. Despite demand for payment, defendants Synergistic Enterprises, Inc. and Nathaniel Lodwig have
27 failed to make the monthly payments as required according to the terms of Note #4. By this action,
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1 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
2 costs, to be immediately due and payable.

3 **5.6 Costs and Attorney Fees.** As fully appears in Note #4 and DOT #4, in the event of
4 any action to collect on Note #4 or to foreclose DOT #4, there shall be included in the judgment a
5 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #4 and DOT #4
6 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
7 action, including the cost of a title search to determine the necessary parties to the action, as well as such
8 other sums which plaintiff may advance under the terms of Note #4 and DOT #4.

9 **5.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
10 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
11 property.

12 **5.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
13 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
14 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, Inc. and Nathaniel
15 Ludwig are liable for any judgment and/or deficiency judgment obtained herein.

16 **VI. PLAINTIFF'S CAUSE OF ACTION #5: JANUARY 23, 2008, NOTE**

17 **6.1 Execution of the January 23, 2008, Promissory Note.** On or about January 23,
18 2008, defendants Synergistic Enterprises, LLC, and Nathaniel Ludwig, for valuable consideration, made,
19 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
20 #5") in the original principal amount of \$50,000.00. A true and correct copy of Note #5 is attached
21 hereto as Exhibit I and incorporated by reference.

22 **6.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
23 Note #5 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
24 Ludwig, for valuable consideration and in order to secure the repayment of Note #5, made, executed and
25 delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #5") covering the
26 following three (3) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel
27 Nos.: 093301005300, 093301005400, 092700004100. DOT #5 was thereafter recorded on January 25,
28

1 2008 under Grays Harbor County Auditor's File No. 2008-01250089. A true and correct copy of DOT
2 #5 is attached hereto as Exhibit J and incorporated by reference.

3 **6.3 Release of Certain Properties.** From time to time, plaintiff has released certain
4 properties as partial reconveyances according to the terms of DOT #5. At the date of this complaint,
5 DOT #5 covers one (1) parcel, the following having been released: 093301005400, 093301005300.

6 **6.4 Current Ownership of Note #5 and DOT #5.** Plaintiff Charles E. Utterback is now
7 the owner and holder of Note #5 and beneficiary of DOT #5.

8 **6.5 Default in Payment and Amount Due.** As fully appears in Note #5 and DOT #5,
9 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of
10 \$50,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
11 paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have
12 failed to make the monthly payments as required according to the terms of Note #5. By this action,
13 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
14 costs, to be immediately due and payable.

15 **6.6 Costs and Attorney Fees.** As fully appears in Note #5 and DOT #5, in the event of
16 any action to collect on Note #5 or to foreclose DOT #5, there shall be included in the judgment a
17 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #5 and DOT #5
18 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
19 action, including the cost of a title search to determine the necessary parties to the action, as well as such
20 other sums which plaintiff may advance under the terms of Note #5 and DOT #5.

21 **6.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
22 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
23 property.

24 **6.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
25 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
26 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
27 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

1 **VII. PLAINTIFF'S CAUSE OF ACTION #6: JANUARY 31, 2008, NOTE**

2 **7.1 Execution of the January 31, 2008, Promissory Note.** On or about January 31,
3 2008, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, for valuable consideration, made,
4 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
5 #6") in the original principal amount of \$30,000.00. A true and correct copy of Note #6 is attached
6 hereto as Exhibit K and incorporated by reference.

7 **7.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
8 Note #6 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
9 Lodwig, for valuable consideration and in order to secure the repayment of Note #6, made, executed and
10 delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #6") covering the
11 following two (2) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel
12 Nos.: 092700004000, 093300902200. DOT #6 was thereafter recorded on January 31, 2008 under Grays
13 Harbor County Auditor's File No. 2008-01310060. A true and correct copy of DOT #6 is attached hereto
14 as Exhibit L and incorporated by reference.

15 **7.3 Release of Certain Properties.** From time to time, plaintiff has released certain
16 properties as partial reconveyances according to the terms of DOT #6. At the date of this complaint,
17 DOT #6 covers one (1) parcel, the following having been released: 093300902200.

18 **7.4 Current Ownership of Note #6 and DOT #6.** Plaintiff Charles E. Utterback is now
19 the owner and holder of Note #6 and beneficiary of DOT #6.

20 **7.5 Default in Payment and Amount Due.** As fully appears in Note #6 and DOT #6,
21 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of
22 \$30,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
23 paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have
24 failed to make the monthly payments as required according to the terms of Note #6. By this action,
25 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
26 costs, to be immediately due and payable.

27 **7.6 Costs and Attorney Fees.** As fully appears in Note #6 and DOT #6, in the event of
28

1 any action to collect on Note #6 or to foreclose DOT #6, there shall be included in the judgment a
2 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #6 and DOT #6
3 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
4 action, including the cost of a title search to determine the necessary parties to the action, as well as such
5 other sums which plaintiff may advance under the terms of Note #6 and DOT #6.

6 **7.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
7 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
8 property.

9 **7.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
10 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
11 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
12 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

13 **VIII. PLAINTIFF'S CAUSE OF ACTION #7: MARCH 12, 2008, NOTE**

14 **8.1 Execution of the March 12, 2008, Promissory Note.** On or about March 12, 2008,
15 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, for valuable consideration, made,
16 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
17 #7") in the original principal amount of \$150,000.00. A true and correct copy of Note #7 is attached
18 hereto as Exhibit M and incorporated by reference.

19 **8.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
20 Note #7 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
21 Lodwig, for valuable consideration and in order to secure the repayment of Note #7, made, executed and
22 delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #7") covering the
23 following ten (10) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel
24 Nos.: 090500056500, 090700037300, 090700058400, 090700062301, 090700065500, 090700071700,
25 091700027700, 091700030100, 092300033400, 092300070100. DOT #7 was thereafter recorded on
26 March 12, 2008 under Grays Harbor County Auditor's File No. 2008-03120003. A true and correct copy
27 of DOT #7 is attached hereto as Exhibit N and incorporated by reference.
28

1 **8.3 Release of Certain Properties.** From time to time, plaintiff has released certain
2 properties as partial reconveyances according to the terms of DOT #7. At the date of this complaint,
3 DOT #7 covers four (4) properties, the following having been released: 090500056500, 090700037300,
4 090700058400, 090700062301, 090700065500, 092300033400.

5 **8.4 Current Ownership of Note #7 and DOT #7.** Plaintiff Charles E. Utterback is now
6 the owner and holder of Note #7 and beneficiary of DOT #7.

7 **8.5 Default in Payment and Amount Due.** As fully appears in Note #7 and DOT #7,
8 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of
9 \$150,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
10 paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have
11 failed to make the monthly payments as required according to the terms of Note #7. By this action,
12 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
13 costs, to be immediately due and payable.

14 **8.6 Costs and Attorney Fees.** As fully appears in Note #7 and DOT #7, in the event of
15 any action to collect on Note #7 or to foreclose DOT #7, there shall be included in the judgment a
16 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #7 and DOT #7
17 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
18 action, including the cost of a title search to determine the necessary parties to the action, as well as such
19 other sums which plaintiff may advance under the terms of Note #7 and DOT #7.

20 **8.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
21 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
22 property.

23 **8.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
24 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
25 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
26 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

27 **IX. PLAINTIFF'S CAUSE OF ACTION #8: APRIL 1, 2008, NOTE**
28

1 **9.1 Execution of the April 1, 2008, Promissory Note.** On or about April 1, 2008,
2 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, for valuable consideration, made,
3 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
4 #8") in the original principal amount of \$150,000.00. A true and correct copy of Note #8 is attached
5 hereto as Exhibit O and incorporated by reference.

6 **9.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
7 Note #8 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
8 Lodwig, for valuable consideration and in order to secure the repayment of Note #8, made, executed and
9 delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #8") covering the
10 following ten (10) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel
11 Nos.: 090100408400, 090300023000, 090300043800, 090300048600, 090700024200, 090700060300,
12 092100009400, 092100010100, 092300066800, 092300071000. DOT #8 was thereafter recorded on
13 April 7, 2008 under Grays Harbor County Auditor's File No. 2008-04070091. A true and correct copy of
14 DOT #8 is attached hereto as Exhibit P and incorporated by reference.

15 **9.3 Release of Certain Properties.** From time to time, plaintiff has released certain
16 properties as partial reconveyances according to the terms of DOT #8. At the date of this complaint,
17 DOT #8 covers five (5) properties, the following having been released: 090300023000, 090300043800,
18 090700024200, 092100010100, 092300071000.

19 **9.4 Current Ownership of Note #8 and DOT #8.** Plaintiff Charles E. Utterback is now
20 the owner and holder of Note #8 and beneficiary of DOT #8.

21 **9.5 Default in Payment and Amount Due.** As fully appears in Note #8 and DOT #8,
22 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of
23 \$150,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
24 paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have
25 failed to make the monthly payments as required according to the terms of Note #8. By this action,
26 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
27 costs, to be immediately due and payable.

1 **9.6 Costs and Attorney Fees.** As fully appears in Note #8 and DOT #8, in the event of
2 any action to collect on Note #8 or to foreclose DOT #8, there shall be included in the judgment a
3 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #8 and DOT #8
4 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
5 action, including the cost of a title search to determine the necessary parties to the action, as well as such
6 other sums which plaintiff may advance under the terms of Note #8 and DOT #8.

7 **9.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
8 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
9 property.

10 **9.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
11 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
12 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
13 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

14 **X. PLAINTIFF'S CAUSE OF ACTION #9: APRIL 25, 2008, NOTE**

15 **10.1 Execution of the April 25, 2008, Promissory Note.** On or about April 25, 2008,
16 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, for valuable consideration, made,
17 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
18 #9") in the original principal amount of \$150,000.00. A true and correct copy of Note #9 is attached
19 hereto as Exhibit Q and incorporated by reference.

20 **10.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
21 Note #9 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
22 Lodwig, for valuable consideration and in order to secure the repayment of Note #9, made, executed and
23 delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #9") covering the
24 following ten (10) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel
25 Nos.: 091700017900, 091900041000, 092100012800, 093300401300, 093700600400, 094100700900,
26 094101003600, 094101200900, 094700800800, 094700802900. DOT #9 was thereafter recorded on
27 April 25, 2008 under Grays Harbor County Auditor's File No. 2008-04250095. A true and correct copy
28

1 of DOT #9 is attached hereto as Exhibit R and incorporated by reference.

2 **10.3 Release of Certain Properties.** From time to time, plaintiff has released certain
3 properties as partial reconveyances according to the terms of DOT #9. At the date of this complaint,
4 DOT #9 covers three (3) properties, the following having been released: 091700017900, 091900041000,
5 093300401300, 093700600400, 094101200900, 094700800800, 094700802900.

6 **10.4 Current Ownership of Note #9 and DOT #9.** Plaintiff Charles E. Utterback is now
7 the owner and holder of Note #9 and beneficiary of DOT #9.

8 **10.5 Default in Payment and Amount Due.** As fully appears in Note #9 and DOT #9,
9 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of
10 \$150,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
11 paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have
12 failed to make the monthly payments as required according to the terms of Note #9. By this action,
13 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
14 costs, to be immediately due and payable.

15 **10.6 Costs and Attorney Fees.** As fully appears in Note #9 and DOT #9, in the event of
16 any action to collect on Note #9 or to foreclose DOT #9, there shall be included in the judgment a
17 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #9 and DOT #9
18 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with the
19 action, including the cost of a title search to determine the necessary parties to the action, as well as such
20 other sums which plaintiff may advance under the terms of Note #9 and DOT #9.

21 **10.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
22 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
23 property.

24 **10.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
25 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
26 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
27 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

XI. PLAINTIFF'S CAUSE OF ACTION #10: AUGUST 1, 2008, NOTE

11.1 Execution of the August 1, 2008, Promissory Note. On or about August 1, 2008, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, for valuable consideration, made, executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note #10") in the original principal amount of \$50,000.00. A true and correct copy of Note #10 is attached hereto as Exhibit S and incorporated by reference.

11.2 Execution of Deed of Trust. At the same time as the execution and delivery of Note #10 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel Lodwig, for valuable consideration and in order to secure the repayment of Note #10, made, executed and delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #10") covering the following three (3) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax Parcel Nos.: 092100004700, 092100005000, 094300203500. DOT #10 was thereafter recorded on August 1, 2008 under Grays Harbor County Auditor's File No. 2008-08010090. A true and correct copy of DOT #10 is attached hereto as Exhibit T and incorporated by reference.

11.3 Release of Certain Properties. From time to time, plaintiff has released certain properties as partial reconveyances according to the terms of DOT #10. At the date of this complaint, DOT #10 covers two (2) properties, the following having been released: 092100005000.

11.4 Current Ownership of Note #10 and DOT #10. Plaintiff Charles E. Utterback is now the owner and holder of Note #10 and beneficiary of DOT #10.

11.5 Default in Payment and Amount Due. As fully appears in Note #10 and DOT #10, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of \$50,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have failed to make the monthly payments as required according to the terms of Note #10. By this action, plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and costs, to be immediately due and payable.

11.6 Costs and Attorney Fees. As fully appears in Note #10 and DOT #10, in the event of

1 any action to collect on Note #10 or to foreclose DOT #10, there shall be included in the judgment a
2 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #10 and DOT
3 #10 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with
4 the action, including the cost of a title search to determine the necessary parties to the action, as well as
5 such other sums which plaintiff may advance under the terms of Note #10 and DOT #10.

6 **11.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
7 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
8 property.

9 **11.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
10 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
11 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
12 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

13 **XII. PLAINTIFF'S CAUSE OF ACTION #11: AUGUST 15, 2008, NOTE**

14 **12.1 Execution of the August 15, 2008, Promissory Note.** On or about August 15, 2008,
15 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, for valuable consideration, made,
16 executed, and delivered to plaintiff Charles E. Utterback their written Promissory Note (hereafter "Note
17 #11") in the original principal amount of \$86,000.00. A true and correct copy of Note #11 is attached
18 hereto as Exhibit U and incorporated by reference.

19 **12.2 Execution of Deed of Trust.** At the same time as the execution and delivery of
20 Note #11 and as part of the same transaction, defendants Synergistic Enterprises, Inc. and Nathaniel
21 Lodwig, for valuable consideration and in order to secure the repayment of Note #11, made, executed
22 and delivered to plaintiff Charles E. Utterback a written Deed of Trust (hereafter "DOT #11") covering
23 the following four (4) parcels situate in Grays Harbor County, Washington: Assessor's Property Tax
24 Parcel Nos.: 091700010000, 092500001200, 093900204600, 094100400400. DOT #11 was thereafter
25 recorded on August 15, 2008 under Grays Harbor County Auditor's File No. 2008-08150047. A true and
26 correct copy of DOT #11 is attached hereto as Exhibit V and incorporated by reference.

27 **12.3 Release of Certain Properties.** From time to time, plaintiff has released certain
28

1 properties as partial reconveyances according to the terms of DOT #11. At the date of this complaint,
2 DOT #11 covers three (3) properties, the following having been released: 093900204600.

3 **12.4 Current Ownership of Note #11 and DOT #11.** Plaintiff Charles E. Utterback is now
4 the owner and holder of Note #11 and beneficiary of DOT #11.

5 **12.5 Default in Payment and Amount Due.** As fully appears in Note #11 and DOT #11,
6 defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig, promised to pay the principal sum of
7 \$86,000.00, together with interest thereon at the rate of 12% per annum on the deferred balance until
8 paid. Despite demand for payment, defendants Synergistic Enterprises, LLC, and Nathaniel Lodwig have
9 failed to make the monthly payments as required according to the terms of Note #11. By this action,
10 plaintiff declares the entire unpaid principal balance, together with accrued and unpaid interest, fees, and
11 costs, to be immediately due and payable.

12 **12.6 Costs and Attorney Fees.** As fully appears in Note #11 and DOT #11, in the event of
13 any action to collect on Note #11 or to foreclose DOT #11, there shall be included in the judgment a
14 reasonable sum for attorneys' fees, together with costs of the action. The terms of Note #11 and DOT
15 #11 also provide that there shall be included in the judgment plaintiff's costs incurred in connection with
16 the action, including the cost of a title search to determine the necessary parties to the action, as well as
17 such other sums which plaintiff may advance under the terms of Note #11 and DOT #11.

18 **12.7 Purchaser at Sheriff's Sale.** In the event of foreclosure and sale of the above-described
19 property at foreclosure sale, the purchaser at such sale is entitled to immediate possession of the
20 property.

21 **12.8 Deficiency Judgment.** Should the proceeds of the Sheriff's Sale be insufficient to
22 satisfy the judgment herein, a deficiency judgment should be entered in favor of the plaintiff for the
23 amount of the judgment not satisfied by the sale. Defendants Synergistic Enterprises, LLC, and
24 Nathaniel Lodwig are liable for any judgment and/or deficiency judgment obtained herein.

25
26 **WHEREFORE,** plaintiff prays for relief as follows:

27 **1. Monetary Judgment.** That plaintiff have judgment for the sum of \$569,783.52,
28

1 with interest thereon at the note default rate of 18% per annum from August 27, 2010 to the date of
2 judgment and thereafter; together with such other sums as may be advanced in accordance with the terms
3 of the notes and deeds of trust during the pendency of this action, with interest thereon at the note default
4 rate; together with reasonable attorney fees and plaintiff's costs incurred in connection with bringing this
5 action, including the cost of the title report obtained in connection with this action in order to determine
6 the identity of all necessary parties.

7 **2. Foreclosure.** That it be adjudged, in the event of nonpayment of the judgment forthwith
8 upon its entry, that plaintiff's deeds of trust be declared valid liens upon the real property described
9 above, and that the property covered thereby be sold at foreclosure sale in the manner provided by law,
10 and the proceeds thereof applied to said judgment and increased interest and such amounts as plaintiff
11 may advance for taxes, assessments, municipal charges, payments made on encumbrances having
12 priority over any of the deeds of trust, and such other items as may constitute liens on the property,
13 together with insurance and repairs necessary to prevent the impairment of the property, and together
14 with interest thereon from the date of payment.

15 **3. Deficiency Judgment.** That if any deficiency remains after the application of the
16 proceeds of such sale thereon, execution may be issued for any such deficiency against defendants
17 Synergistic Enterprises, Inc., Sustainable Enterprises, LLC, Nathaniel Lodwig, and Gregory Lodwig, and
18 each of them, and enforced against any other property of theirs not exempt from execution.

19 **4. Foreclosure of Defendants' Rights.** By such foreclosure and sale, the rights of
20 defendants, and each of them, and persons claiming by, through, or under them, subsequent to execution
21 of plaintiff's deeds of trust, be adjudged inferior and subordinate to plaintiff's deed of trust lien and be
22 forever foreclosed.

23 **5. Plaintiff Allowed Right to be Bidder.** That plaintiff be permitted to become a
24 bidder and purchaser at the sale, and that the purchaser be given immediate possession of the property.

25 **6. Costs of Collection of Judgment.** That the plaintiff be granted judgment for all costs
26 incurred in the collection of any judgment obtained herein.

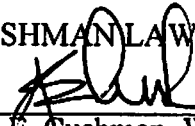
27 **7. Redemption Period.** Plaintiff does not waive its right to a deficiency judgment, and,
28

1 therefore, the redemption period in the event of foreclosure and sale at foreclosure should be a period of
2 twelve (12) months.

3 8. Other Relief. That plaintiff may have such other and further relief as may be proper and
4 equitable.

5
6 DATED this 8th day of September, 2010.

7
8 CUSHMAN LAW OFFICES, P.S.

9
10 
11 Jon E. Cushman, WSBA# 16547
12 Joseph Scuderi, WSBA# 26623
13 Attorneys for Plaintiffs

14 **Verification**

15
16 CHARLES E. UTTERBACK declares as follows:

17 I am one of the Plaintiffs in the above-entitled action. I have read the foregoing Complaint,
18 know the contents thereof, and believe the same to be true.

19 I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF
20 WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT

21 SIGNED this ____ day of September, 2010, in Ocean Shores, Washington.

22
23 see Attached
24 Charles E. Utterback

therefore, the redemption period in the event of foreclosure and sale at foreclosure should be a period of twelve (12) months.

8. **Other Relief.** That plaintiff may have such other and further relief as may be proper and equitable.

DATED this ____ day of September, 2010.

CUSHMAN LAW OFFICES, P.S.

Jon E. Cushman, WSBA# 16547
Joseph Scuderi, WSBA# 26623
Attorneys for Plaintiffs

Verification

CHARLES E. UTTERBACK declares as follows:

I am one of the Plaintiffs in the above-entitled action. I have read the foregoing Complaint, know the contents thereof, and believe the same to be true.

I DECLARE UNDER PENALTY OF PERJURY UNDER THE LAWS OF THE STATE OF WASHINGTON THAT THE FOREGOING IS TRUE AND CORRECT

SIGNED this 8 day of September, 2010, in Ocean Shores, Washington.



Charles E. Utterback

Exhibit A

Note #1

**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)**

\$ 250,000.00

Ocean Shores, Washington

09/19/08

For Value received, Synergistic Enterprises, Inc., a Washington Corporation, promises to pay to Trust Company of America C/F Charles E. Utterback, #81028 with payments sent to Servicing Agent: J. Steven Andrews/PO Box 2068 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of Two Hundred Fifty Thousand 00/100 (\$250,000.00), with interest from 09/19/08, on unpaid principal balance at the rate of Twelve Percent (12.0000%) per annum; principal and interest payable in monthly installments of Five Thousand 00/100 Dollars (\$ 5,000.00) or more at the maker's option beginning on 10/23/08 and continuing until 09/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within Five (5) days of the date specified. This charge shall be Six percent (6.0000%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen Percent (18.0000%) per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises, Inc., a Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprises, Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 7/17/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, individually as co-maker and not as a surety

Date 7/17/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises, Inc., a Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of Two Hundred Fifty Thousand 00/100 (\$250,000.00) from Trust Company of America C/F Charles E. Utterback, #81028 (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's PROPERTY INVESTMENT business. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprises, Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 9/17/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as co-maker and not as a surety

Date 9/17/08

Exhibit B

DOT #1

27 3 Cors

ORIGINAL

When recorded return to:

Trust Company of America C/F Charles E. Utterback
 Servicing Agent: J. Steven Andrews/PO Box 2068
 Ocean Shores, WA 98569

DEED OF TRUST

(For use in the State of Washington only)

Escrow No.: P080208-02

Title Order No.: A161395

THIS DEED OF TRUST, made this 18th day of September, 2008, between

Synergiatic Enterprises, Inc., a Washington Corporation

as GRANTOR(S)

whose street address is PO Box 173, Montesano, WA 98563

and

Andrews Legal Services, PLLC

as TRUSTEE

whose street address is PO Box 2068, Ocean Shores, WA 98569

and

Trust Company of America C/F Charles E. Utterback, #81028

BENEFICIARY, whose street address is Servicing Agent: J. Steven Andrews/PO Box 2068, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor County, Washington:

Assessor's Property Tax Parcel No.: 090300028702, 090800030400, 090900038800,
 091300017000, 091700029700, 091900010400, 091900010700, 092100015600,
 092700044200, 092700048000, 093100001800, 093101702900, 093900701500,
 094100702200, 094300101800, 094500102900, 094900208500, 094900207800,
 094900302100, 094900305600, 094900400500, 094900500300, 094900500900,
 095101203100, 090700056800, 091100011700,
 092800040200

Abbreviated Legal Description: Lot 287A, Div. 2; Lot 304, Div. 5; Lot 368, Div. 5; Lot 170, Div. 8;
 Lot 297, Div. 8; Lot 104, Div. 8; Lot 107, Div. 8; Lot 156, Div. 10; Lot 442, Div. 14; Lot 480, Div. 14;
 Lot 18, Blk 8, Div. 16; Lot 29, Blk 17, Div. 16; Lot 15, Blk 7, Div. 18; Lot 22, Blk 7, Div. 18A; Lot 18,
 Blk 1, Div. 20; Lot 28, Blk 1, Div. 21; Lot 65, Blk 2, Div. 23; Lot 78, Blk 2, Div. 23; Lot 21, Blk 3, Div.
 23; Lot 56, Blk 3, Div. 23; Lot 5, Blk 4, Div. 23; Lot 3, Blk 5, Div. 23; Lot 9, Blk 5, Div. 23; Lot 31,
 Blk 12, Div. 24; Lot 588, Div. 4; Lot 117, Div. 6-A; Lot 402, Div. 16

FULL LEGAL DESCRIPTION ATTACHED IN EXHIBIT A

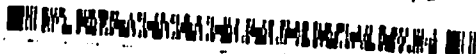
Tax Parcel Number(s): SEE LEGAL FOR PARCELS

which real property is not used principally for agricultural purposes, together with all the tenements,
 hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the
 rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s)
 contained in this Deed of Trust, and payment of the sum of Two Hundred Fifty Thousand and 00/100
 Dollars (\$250,000.00) with interest, in accordance with the terms of a promissory note of even date
 herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications,
 and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to
 Grantor(s), or any of the Grantor(s) successors or assigns, together with interest thereon at the rate
 agreed upon.

LPB 22A-05(r-1)

2008-09190884 09/19/2008 04:17 PM DTRUST
 Page 1 of 9 R 51.00 Grays Harbor Co, WA
 GRAYS HARBOR TITLE



DEED OF TRUST (Continued)

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on September 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property. Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.
7. **DUE ON SALE: (OPTIONAL - not applicable unless initialed by Grantor and Beneficiary)** The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

Grantor (Initials)

Beneficiary (Initials)

IT IS MUTUALLY AGREED THAT:

8. In the event that any portion of the property is taken or damage in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.
9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any

LPS 22A-05(h-1)

2008-09192084 08/19/2008 04:17 PM DTRUST
Page 2 of 9 R 31.00 Grays Harbor Co. WA
GRAY'S HARBOR TITLE



DEED OF TRUST (Continued)

cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.
16. ADDITIONAL TERMS AND CONDITIONS: (check one)
 - a. ☐ NONE
 - OR
 - b. ☒ As set forth on the attached "Exhibit A" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 9/17/08

Synergistic Enterprises, Inc., a Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

BY: Nathaniel Ludwig
Nathaniel Ludwig, as Co-Maker and not as a surety



Exhibit A

→ Lot 5, Block 4, Ocean Shores Division No. 23, as per plat recorded in Volume 9 of Plats, page 82, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 3, Block 5, Ocean Shores Division No. 23, as per plat recorded in Volume 9 of Plats, page 82, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 9, Block 5, Ocean Shores Division No. 23, as per plat recorded in Volume 9 of Plats, page 82, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 31, Block 12, Ocean Shores Division No. 24, as per plat recorded in Volume 9 of Plats, page 138, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 29, Block 17, Ocean Shores Division No. 16, as per plat recorded in Volume 9 of Plats, page 3, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 29, Block 1, Ocean Shores Division No. 21, as per plat recorded in Volume 9 of Plats, page 15, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 56, Block 3, Ocean Shores Division No. 23, as per plat recorded in Volume 9 of Plats, page 82, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 566, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page 65, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 117, Ocean Shores Division No. 5-A, as per plat recorded in Volume 8 of Plats, page 157, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

Lot 402, Ocean Shores Division No. 16, as per plat recorded in Volume 8 of Plats, page 141, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

PROPERTY ADDRESSES

127 Point Brown Ave., NW
Ocean Shores, WA 98569

183 Point Brown Ave., SW
Ocean Shores, WA 98569

278 E. Rain St
Ocean Shores, WA 98569

705 Chencis Ave., NE
Ocean Shores, WA 98569

384 Eridani Loop SE
Ocean Shores, WA 98569

148 Calawah St.
Ocean Shores, WA 98569

452 and 484 Lolloh Ave., SE
Ocean Shores, WA 98569

NOT DISCLOSED
Ocean Shores, WA 98569

760 Tern Court SE
Ocean Shores, WA 98569

870 Mt. Olympus Ave., SE
Ocean Shores, WA 98569

911 Falls of Clyde Loop
Ocean Shores, WA 98569

XXX Torridale
Ocean Shores, WA 98569

923 Beachcomber Court
Ocean Shores, WA 98569

432 S. Portal Loop
Ocean Shores, WA 98569

1416 N. Jetty Ave.
Ocean Shores, WA 98569

850 Wawona Ave., SE
Ocean Shores, WA 98569

842 Bay View Court
Ocean Shores, WA 98569

218 and 254 and 369 and 431 and 633 Duck Lake Dr. NE
Ocean Shores, WA 98569

220 Duck Lake Drive, SE
Ocean Shores, WA 98569

105 Sunrise Ave., SE
Ocean Shores, WA 98569

176 Miller Court NE
Ocean Shores, WA 98569

585 Sunset Ave., NE
Ocean Shores, WA 98569



Exhibit C

9/23/09 Modification of Note #1 and Note #3

COPY

AGREEMENT BETWEEN THE UNDERSIGNED

**SYNERGISTIC ENTERPRISES, TRUST COMPANY OF
AMERICA, AND CHARLES E. UTTERBACK AGREE TO SHIFT
BALANCES OWED, PAY A REFINANCE FEE AND LOWER
MONTHLY PAYMENTS AS AT SEPTEMBER 23, 2009, AS FOLLOWS:**

**SYNERGISTIC ENTERPRISES DEBT TO CHARLES E. UTTERBACK TO BE
REDUCED FROM \$352,773.59 BY \$60,000.00 TO \$292,773.59. THE DUE DATE OF
THIS NOTE IS 11/23/2011.**

**THE MONTHLY PAYMENT ON THIS PACKAGE TO BE CHANGED FROM
\$6,000.00 PER MONTH TO \$3,000.00 PER MONTH.**

Inventory of Lots in this package:

917 Pt. Brown Ave SW
915 Pt Brown Ave SW
542 O/S Blvd SW
1357 Delta Ct
640 O/S Blvd SW
164 S Port Lp SW
252 Calawah St
151 Seagate St
165 S Narwhal Lp SW
213 N Wynoochee Dr SW
443 S Portal Lp
353 N Wynoochee Dr

919 Pt Brown Ave SW
392 Marine View Dr
844 Pt Brown Ave
473 Hilo Ct
958 Wawona Ave
804 Anchor Ave
132 Calawah St
269 Ensign Ave NW
131 S Razor Clam Dr
1428 Sand Pebble Ave
341 Redwood Ct SE

AGREEMENT BETWEEN THE UNDERSIGNED - CONTINUED

**SYNERGISTIC ENTERPRISES DEBT TO TRUST COMPANY OF AMERICA
C/F CHARLES E. UTTERBACK TO BE INCREASED FROM \$139,810.03 BY
\$60,000.00 TO \$199,810.03.**

**IN ADDITION A REFINANCE FEE OF \$12,388.61 TO EXTEND THE DUE
DATE OF THIS NOTE FROM SEPTEMBER 23, 2009 TO SEPTEMBER 23, 2011
WILL BE ADDED. THIS BRINGS THE TOTAL OWED TO \$212,198.64.**

<\$199,810.03 + \$12,388.61>

**THE MONTHLY PAYMENT ON THIS PACKAGE TO BE CHANGED FROM
\$5,000.00 PER MONTH TO \$3,000.00 PER MONTH.**

Inventory of Lots in this package:

**163 Pt Brown Ave SW
364 Eridani Loop SE
464 Lotloh Ave SE
760 Tern Ct SE
911 Falls of Clyde Loop
923 Beachcomber
1416 N Jetty Ave
218 Duck Lake Dr NE
359 Duck Lake Dr NE
220 Duck Lake Dr SE
176 Miller Ct NE**

**705 Chenois Ave NE
148 Calawah
Pt Brown Ave
870 Mt. Olympus
993 Torrisdale
432 S. Portal Loop
950 Wawona
254 Duck Lake Dr NE
633 Duck Lake Dr NE
105 Sunrise Ave
585 Sunset Ave NE**

AGREEMENT BETWEEN THE UNDERSIGNED - CONTINUED

ASSIGNOR:

SYNERGISTIC ENTERPRISES, INC.

BY: Nathaniel Lodwig
NATHANIAL LODWIG, PRESIDENT10/15/09
DATE

TRUST COMPANY OF AMERICA

BY: J. Steven Andrews
J. STEVEN ANDREWS, SERVICING AGENT10/14/09
DATENathaniel Lodwig
NATHANIAL LODWIG, INDIVIDUALLY10/15/09
DATEGregory Lodwig
GREGORY LODWIG, INDIVIDUALLY10/15/09
DATECharles E. Utterback
CHARLES E. UTTERBACK, INDIVIDUALLY10/14/09
DATE

STATE OF WASHINGTON

COUNTY OF Grays Harbor ss.

I certify that I know or have satisfactory evidence that Nathaniel Ludwig, Gregory Ludwig, Charles Utterback & J. Steven Andrews is/are the person(s) who appeared before me, and said person(s) acknowledged that said person(s) signed this instrument and acknowledged it to be said person's free and voluntary act for the uses and purposes mentioned in the instrument.

Dated this 15th day of October, 2009.



Debra A. Marten
(Signature of Notary)

Debra A. Marten
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington, residing at Hoguslam

My appointment expires June 12, 2010

STATE OF WASHINGTON

COUNTY OF Grays Harbor ss.

I certify that I know or have satisfactory evidence that Nathaniel Ludwig is/are the person(s) who appeared before me, and said person(s) acknowledged that said person(s) signed this instrument, on oath stated that said person(s) was authorized to execute the instrument and acknowledged it as the President of Synergistic Enterprises, Inc., a corporation, to be the free and voluntary act of such corporation for the uses and purposes mentioned in the instrument.

Dated this 15th day of October, 2009.



Debra A. Marten
(Signature of Notary)

Debra A. Marten
(Legibly Print or Stamp Name of Notary)

Notary public in and for the State of Washington, residing at Hoguslam

My appointment expires June 12, 2010

Exhibit D

Note #2

ORIGINAL**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 155,000.00****Ocean Shores, Washington****12/17/08**

For Value received, Sustainable Enterprises, LLC, a Washington Limited Liability Company, promises to pay to Trust Company of America C/F Charles E. Utterback, #81028 with payments sent to Servicing Agent: J. Steven Andrews/PO Box 2068 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of One Hundred Fifty Five Thousand 00/100 Dollars (\$155,000.00), with interest from 12/17/08, on unpaid principal balance at the rate of Twelve percent (12.0000%) per annum; principal and interest payable in monthly installments of Sixteen Hundred 00/100 (\$ 1,600.00) or more at the maker's option beginning on 01/23/09 and continuing until 12/23/11 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within Five (5) days of the date specified. This charge shall be Eight percent (8.0000%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen Percent (18.0000%) per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Sustainable Enterprises, LLC, a Washington Limited Liability Company., (hereinafter "Borrower") desires to borrow a total amount of One Hundred Fifty Five 00/100 Dollars (\$155,000.00) from Trust Company of America C/F Charles E. Utterback, #81028 (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's INVESTMENT PROPERTY business. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Sustainable Enterprises, LLC, a Washington Limited Liability Company

BY: Nathaniel Lodwig
Nathaniel Lodwig, Member

Date 12/15/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a Co-Maker and not as a Surety

Date 12/15/08

BY: Gregory Lodwig
Gregory Lodwig, Individually as a Co-Maker and not as a Surety

Exhibit E

DOT #2

1- 0/5 6075

ORIGINAL

When recorded return to:

Trust Company of America C/F Charles E. Utterback
 Servicing Agent: J. Steven Andrews/PO Box 2068
 Ocean Shores, WA 98569

DEED OF TRUST

(For use in the State of Washington only)

Escrow No.: P111708-02

Title Order No.: A161852

A161852

THIS DEED OF TRUST, made this 17th day of December, 2008, between

Sustainable Enterprises, LLC, a Washington Limited Liability Company

as GRANTOR(S)

whose street address is PO Box 173, Montesano, WA 98563

and

Andrews Legal Services, PLLC

as TRUSTEE

whose street address is PO Box 2168, Ocean Shores, WA 98569

and

Trust Company of America C/F Charles E. Utterback, #81028

BENEFICIARY, whose street address is Servicing Agent: J. Steven Andrews/PO Box 2068, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor County, Washington:

See Exhibit A for Full Legal Description:

Assessor's Property Tax Parcel No.: 090100412000, 090101928300, 090300051400,
 091900003900, 091900004000, 092700027800, 092700035100, 092700048500,
 092900018500, 093101700400, 093300805900, 707000200900, 707000301000,
 094100900300, 094100903300

Abbreviated Legal Description: L120, Blk D, Div. 1; L283, Blk S, Div. 1; L 514, Div. 2; Lots
 39-40, Div. 9; Lots 278, 351 & 465, Div. 14; L185, OS Div. 15; L4, Blk 17, Div. 16; L 58, Blk 8,
 Div. 17; Lots 3 and 33, Blk 9, Div 19-A; L9, Blk 2 & L10 Blk 3 Bayview Estates;

Tax Parcel Number(s): SEE LEGAL DESCRIPTION

which real property is not used principally for agricultural purposes, together with all the tenements,
 hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the
 rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s)
 contained in this Deed of Trust, and payment of the sum of One Hundred Fifty Five Thousand and
 00/100 Dollars (\$155,000.00) with interest, in accordance with the terms of a promissory note of even
 date herewith, payable to Beneficiary or order, and made by the Grantor(s), ~~and also such further sums as may be advanced or loaned by~~
~~Beneficiary to Grantor(s), or any of the Grantor(s) successors or assigns, together with interest thereon~~
 at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any
 and all interest accrued thereon, shall be due and payable in full on December 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete

LPB 22A-05(1-1)



DEED OF TRUST

(Continued)

any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property. Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.
7. **DUE ON SALE: (OPTIONAL - not applicable unless initiated by Grantor and Beneficiary)** The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

NA
Grantor (Initials)

CEU
Beneficiary (Initials)

IT IS MUTUALLY AGREED THAT:

8. In the event that any portion of the property is taken or damage in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.
9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

Acknowledgement in Representative Capacity

STATE OF Washington
COUNTY OF Grays Harbor

I certify that I know or have satisfactory evidence that Nathaniel Ludwig
(Us/are) the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument, on oath stated
that (he/she/they) (is/are) authorized to execute the instrument and acknowledged it as the member of
Sustainable Enterprise LLC to be the free and voluntary act of such party(ies) for the uses and purposes mentioned in this
instrument.

Dated: 12-15-2008

Debra A. Marten
Notary Public in and for the state of Washington
My appointment expires: June 12, 2010



Acknowledgement of Individual

STATE OF Washington
COUNTY OF Grays Harbor

I certify that I know or have satisfactory evidence that Nathaniel Ludwig and Gregory Ludwig
(his/their) the person(s) who appeared before me, and said person(s) acknowledged that (he/she/they) signed this instrument and
acknowledged it to be (his/hers/their) free and voluntary act for the uses and purposes mentioned in this instrument.

Date: 12-15-2008

Debra A. Marten
Notary Public in and for the state of Washington
My appointment expires: June 12, 2010



Exhibit A

PARCEL 1:

Lot 120, Block "D", Ocean Shores Division No. 1, as per plat recorded in Volume 8 of Plats, page 47, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 2:

Lot 283, Block "G", Ocean Shores Division No. 1, as per plat recorded in Volume 8 of Plats, page 47, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 3:

Lot 614, Ocean Shores Division No. 2, as per plat recorded in Volume 8 of Plats, page 53, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 4:

Lot 39, Ocean Shores Division No. 9, as per plat recorded in Volume 8 of Plats, page 106 and Ocean Shores Corrected Plat of Division No. 9, as per plat recorded in Volume 8 of Plats, page 114, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 5:

Lot 40, Ocean Shores Division No. 9, as per plat recorded in Volume 8 of Plats, page 106, and Ocean Shores Corrected Plat of Division No. 9, as per plat recorded in Volume 8 of Plats, page 114, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 6:

Lot 278, Ocean Shores Division No. 14, as per plat recorded in Volume 8 of Plats, page 172, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 7:

Lot 351, Ocean Shores Division No. 14, as per plat recorded in Volume 8 of Plats, page 172, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 8:

Lot 468, Ocean Shores Division No. 14, as per plat recorded in Volume 8 of Plats, page 172, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 9:

Lot 165, Ocean Shores Division No. 15, as per plat recorded in Volume 8 of Plats, page 141, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 10:

Lot 4, Block 17, Ocean Shores Division No. 16, as per plat recorded in Volume 9 of Plats, page 3, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 11:

Lot 59, Block 8, Ocean Shores Division No. 17, as per plat recorded in Volume 9 of Plats, page 34, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 12:

Lot 3, Block 9, Ocean Shores Division No. 18-A, as per plat recorded in Volume 9 of Plats, page 121, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 13:

Lot 33, Block 9, Ocean Shores Division No. 18-A, as per plat recorded in Volume 9 of Plats, page 121, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 14:

Lot 8, Block 2, Bayview Estates, as per plat recorded in Volume 9 of Plats, page 103, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

PARCEL 15:

Lot 10, Block 3, Bayview Estates, as per plat recorded in Volume 9 of Plats, page 103, records of Grays Harbor County;
Situates in the County of Grays Harbor, State of Washington.

Exhibit F

Note #3

ORIGINAL**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$500,000.00 Ocean Shores, Washington 10/23/08**

For Value received, Synergistic Enterprises, Inc., a Washington Corporation, promises to pay to Charles E. Utterback with payments sent to PO Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of ~~\$500,000.00~~ (Five Hundred Thousand 00/100 Dollars), with interest from 10/23/08, on unpaid principal balance at the rate of Twelve Percent (12.0000%) per annum; principal and interest payable in monthly installments of \$6000.00 (Six Thousand 00/100 Dollars) or more at the maker's option beginning on 11/23/08 and continuing until 11/23/2011 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within Five (5) days of the date specified. This charge shall be Eight percent (8.0000%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole of sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen Percent (18.0000%) per annum. For the purpose herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administrative costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A, B & C for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises, Inc., a Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

Date 11/19/08

BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as co-maker and not as a surety

Date 11/19/08

BY: Gregory Ludwig
Gregory Ludwig, Individually as co-maker and not as a surety

Date 11/19/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 11/23/2011.

Synergistic Enterprises, Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, PresidentDate 11/19/08BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as co-maker and not as a suretyDate 11/19/08BY: Gregory Lodwig
Gregory Lodwig, Individually as co-maker and not as a suretyDate 11/19/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises, Inc., a Washington Corporation, (hereinafter "Borrower") desires to borrow a total amount of \$500,000.00 (Five Hundred Thousand 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's PROPERTY INVESTMENT Business. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved in this transaction.

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

Date 11/19/08

BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as a co-maker and not a surety

Date 11/19/08

BY: Gregory Ludwig
Gregory Ludwig, Individually as co-maker and not as a surety

Date 11/19/08

EXHIBIT "C"

<u>COMMON ADDRESS</u>	<u>LEGAL DESC.</u>	<u>TAX PARCEL #</u>	<u>RELEASE</u>
917 Pt. Brown Ave	Div 14 Lot 41	092700004100	\$17,000.00
919 Pt. Brown Ave SW	Div 14 Lot 42	092700004200	17,500.00
392 Marine View Dr.	Div 16 Blk 7 Lot 15	093100701500	30,000.00
915 Pt. Brown Ave SW	Div 14 Lot 40	092700004000	15,000.00
542 Ocean Shores Blvd SW	Div 8 Lot 100	091700010000	18,000.00
844 Pt. Brown Ave	Div 12 Lot 12	092500001200	70,000.00
1357 Delta Ct	Div 19 Blk 2 Lot 46	093900204600	18,000.00
473 Hilo Ct	Div 19A Blk 4 Lot 4	094100400400	18,000.00
640 Ocean Shores Blvd SW	Div 10 Lot 47	092100004700	20,000.00
958 Wawona	Div 20 Blk 2 Lot 35	094300203500	20,000.00
464 Sextans Ave SW	Div 4 Lot 373	090700037300	16,000.00
164 S. Port Lp SW	Div 4 Lot 717	090700071700	15,000.00
252 Calawah St.	Div 8 Lot 277	091700027700	15,000.00
132 Calawah St.	Div 8 Lot 301	091700030100	15,000.00
210 S. Wynoochee Dr.	Div 11 Lot 334	092300033400	15,000.00
151 Seagate St.	Div 11 Lot 701	092300070100	15,000.00
804 Anchor Ave	Div 1 Blk D Lot 84	090100408400	20,000.00
269 Ensign Ave NW	Div 2 Lot 486	090300048600	16,000.00
165 S. Narwhal Lp SW	Div 4 Lot 603	090700060300	16,000.00
131 S. Razor Clam Dr.	Div 11 Lot 668	092300066800	16,000.00
129 Seagate St.	Div 11 Lot 710	092300071000	16,000.00
252 N. Wynoochee Dr. SW	Div 8 Lot 179	091700017900	18,000.00
198 Cakesota St. SE	Div 9 Lot 410	091900041000	22,000.00
213 N. Wynoochee Dr. SW	Div 10 Lot 128	092100012800	18,000.00
1036 Brentwood Pl.	Div 17 Blk 4 Lot 13	093300401300	16,000.00
443 S. Port Lp	Div 19A Blk 7 Lot 9	094100700900	16,000.00
1428 Sand Pebble Ave	Div 19A Blk 10 Lot 36	094101003600	20,000.00
341 Redwood Ct. SE	Div 22 Blk 8 Lot 8	094700800800	22,000.00

**THIS LOAN OF \$500,000.00 IS SECURED BY EIGHT (8) SEPARATE DEEDS OF TRUST
RECORDED AT VARIOUS DATES.**

Synergistic Enterprises, Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 11/19/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as co-maker and not as a surety

Date 11/19/08

BY: Gregory Lodwig
Gregory Lodwig, Individually as co-maker and not as a surety

Date 11/19/08

Exhibit G

Note #4

COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 47,500.00 Ocean Shores, Washington 12/31/07**

For Value received, Synergistic Enterprises Inc., A Washington Corporation promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of \$47,500.00 (Forty Seven Thousand Five Hundred 00/100 Dollars), with interest from 12/31/07, on unpaid principal balance at the rate of 12.00% (Twelve percent) per annum; principal and interest payable in monthly installments of \$ 950.00 (Nine Hundred Fifty Dollars 00/100) or more at the maker's option beginning on 02/23/08 and continuing until 01/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Six percent (6.00%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of 18.00% per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises Inc., A Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprises Inc. A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

12/20/07
DATE

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 01/23/09

Synergistic Enterprises Inc. A Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President12/20/07
DATEBY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as a co-maker and not as a surety

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises Inc., A Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of \$47,500.00 (Forty Seven Thousand Five Hundred 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's re-investment of other properties. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprises Inc. A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

12/20/07
DATE

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety

RELEASE CLAUSE

For Payment of \$17,500.00 the Beneficiary agrees to release the lot located at 919 Point Brown Ave. SW.

For Payment of \$30,000.00 the Beneficiary agrees to release the lot located at 392 Marine View Dr.

)

)

Exhibit H

DOT #4

When recorded return to:

Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98569

CONFORMED
COPY

DEED OF TRUST

(For use in the State of Washington only)

Escrow No.: P121107-01
Title Order No.: A-169485

THIS DEED OF TRUST, made this 31st day of December, 2007, between

Synergistic Enterprises Inc., A Washington Corporation

as GRANTOR(S)
whose street address is PO Box 173, Montesano, WA 98563

and

Andrews Legal Services

as TRUSTEE
whose street address is 560 Point Brown Ave. NE, Ocean Shores, WA 98569

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor, Washington:

Lot 42, Ocean Shores Division No. 14, as per plat recorded in Volume 8 of Plats, page 172, records of Grays Harbor County;

Lot 16, Block 7, Ocean Shores Division No. 16, as per plat recorded in Volume 9 of Plats, page 105, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington:

Preliminary estimated assessment in an unknown amount for street improvement under Street LID No. 2007-1.

Subject to future assessments, if any, of Ocean Shores Community Club, Inc. as disclosed by the Claim of Lien recorded October 18, 1970, under Auditor's File No. 238143, Volume 61 of General page 635.

Subject to the provisions of the Amended and Restated Articles of Incorporation and the Amended and Restated By-Laws of the Ocean Shores Community Club, Inc., or as may be amended and of these covenants, including but not limited to all of the dues and assessments

Subject to the restrictive covenants and amendments thereto, slope rights and easements appearing on the face of the Plat.

Subject to Reservations contained in instrument recorded June, 20, 1960, File No. 64580, Volume 403 of Deed, page 339, Reserving all oil and mineral rights and amendment to Reservation, recorded February 17, 1967, File No. 182488 to provide reasonable compensation for any damage to surface rights per agreement.

COMMON ADDRESS: 919 POINT BROWN AVE SW AND 382 MARINE VIEW DR.

Tax Parcel Number(s): 092700004200-093100701500

which real property is not used principally for agricultural purposes, together with all the tenements,

LFB 22A-05(04)

2887-12310887 12/31/2007 10:07 AM DTRUST
Page 1 of 5 R 45.00 Grays Harbor Co., WA
GRAYS HARBOR TITLE
CONFORMED COPY

DEED OF TRUST
(Continued)

STATE OF Washington

COUNTY OF Grays Harbor

I, Jo Ann Lyons, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Ludwig, individually and Nathaniel Ludwig, President of Synergistic Enterprises Inc., A Washington Corporation personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 20 day of December, 2007.

Jo Ann Lyons
Notary Public

My Commission Expires: 5-9-11

(SEAL)



LFB 22A-05(k-1)

DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

LPB 22A-06(4)

DEED OF TRUST
(Continued)

EXHIBIT "A"

For Payment of \$17,500.00 the Beneficiary agrees to release the lot located at 919 Point Brown Ave.
SW. For payment of \$30,000.00 the Beneficiary agrees to release the lot located at 392 Marine View Dr.

LPB22A-05(k-1

)

Exhibit I

Note #5

COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 50,000.00****Ocean Shores, Washington****01/23/08**

For Value received, Synergistic Enterprise Inc, a Washington Corporation, promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of \$50,000.00 (Fifty Thousand 00/100 Dollars), with interest from 01/23/08, on unpaid principal balance at the rate of 12.00% (Twelve percent) per annum; principal and interest payable in monthly installments of \$ 1,000.00 (One Thousand 00/100 Dollars) or more at the maker's option beginning on 02/23/08 and continuing until 01/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Six percent (6.00%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen Percent (18.00%) per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2.00%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2.00%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprise Inc, a Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprise Inc, a Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 1/23/08

By: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a surety and not as a surety.

Date 1/23/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 01/23/09

Synergistic Enterprise Inc, a Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 1/23/08

By: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a surety and not as a surety.

Date 1/27/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprise Inc, a Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of \$50,000.00 (Fifty Thousand 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's re-investment in properties. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprise Inc, a Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 1/23/08

By: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a surety and not as a surety.

Date 1/23/08

Exhibit J

DOT #5

CONFORMED
COPY

When recorded return to:

Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98569**DEED OF TRUST**

(For use in the State of Washington only)

Escrow No.: P113007-02

Title Order No.: A159378

THIS DEED OF TRUST, made this 25th day of January, 2008, between

Synergistic Enterprise Inc, a Washington Corporation

as GRANTOR(S)

whose street address is PO Box 173, Montesano, WA 98563

and

Andrews Legal Services, PLLC

as TRUSTEE

whose street address is P.O. Box 2068/560 Point Brown Ave. NE, Ocean Shores, WA 98569

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor, Washington:

See attached Exhibit A for full Legal Description

Parcel No's: 083301005300, 083301005400, and 082700004100

Lots 53 & 54, Block 10, Ocean Shores Division No. 17
Lot 41, Ocean Shores Division No. 14COMMON ADDRESS: 1085 FAIRWOOD DR. SW, OCEAN SHORES, WA -Sold
1067 FAIRWOOD DR. SW, OCEAN SHORES, WA -Sold
917 PT BROWN AVE. SW, OCEAN SHORES, WA

Tax Parcel Number(s): SEE LEGAL DESCRIPTION

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of Fifty Thousand and 00/100 Dollars (\$50,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on January 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete

LPB 22A-05/14

2008-01250089 01/25/2008 03:15 PM DTRUST
Page 1 of 8 R 46.00 Grays Harbor Co, WA
GRAYS HARBOR TITLE

LPB 22A-05(r)-1

11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
8. In the event that any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.
7. DUE ON SALE: (OPTIONAL - not applicable unless initiated by Grantor and Beneficiary) The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.
6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of attorney's fees actually incurred, as provided by statute.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
- any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.

DEED OF TRUST
(Continued)

DEED OF TRUST (Continued)

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. ☐ NONE

OR

b. ☒ As set forth on the attached "Exhibit B" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 1/25/2008

Synergistic Enterprise Inc, a Washington Corporation

By: Nathaniel Lodwig
Nathaniel Lodwig, President

By: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a surety and not as a surety.

STATE OF Washington

COUNTY OF Grays Harbor

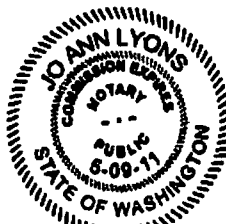
I, Jo Ann Lyons, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Lodwig, President of Synergistic Enterprise Inc., A Washington Corporation and Nathaniel Lodwig, Individually personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 25 day of January, 2008.

Jo Ann Lyons
Notary Public

My Commission Expires: 5-09-11

(SEAL)



LPB 22A-05(W)



DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

LPS 22A-05(r-1)



DEED OF TRUST
(Continued)

EXHIBIT "B"

The Beneficiary agrees to release the lot located at 917 Pt. Brown Ave. SW for the payment of \$17,000.00, the lot located at 1067 Fairwood Dr. SW for \$17,000.00 and the lot located at 1065 Fairwood Dr. SW for \$16,000.00.

LPB 22A-05(1-1

2008-01250089 01/25/2008 03:15 PM DTRUST
Page 3 of 8 R 48.00 Grays Harbor Co. WA
GRAYS HARBOR TITLE



PARCEL A:

Lot 53, Block 10, Ocean Shores Division No. 17, as per plat recorded in Volume 9 of Plats, page 34, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

PARCEL B:

Lot 54, Block 10, Ocean Shores Division No. 17, as per plat recorded in Volume 9 of Plats, page 34, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.

PARCEL C:

Lot 41, Ocean Shores Division No. 14, as per plat recorded in Volume 8 of Plats, pages 172 and 178, records of Grays Harbor County; Situate in the County of Grays Harbor, State of Washington.



)

Exhibit K

Note #6


COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 30,000.00 Ocean Shores, Washington 01/31/08**

For Value received, Synergistic Enterprises Inc, a Washington Corporation, promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of \$30,000.00 (Thirty Thousand 00/100 Dollars), with interest from 01/31/08, on unpaid principal balance at the rate of 12.00% (Twelve percent) per annum; principal and interest payable in monthly installments of \$ 600.00 (Six Hundred 00/100 Dollars) or more at the maker's option beginning on 03/23/2008 and continuing until 01/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Six percent (6.00%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen Percent (18.00%) per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2.00%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2.00%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises Inc, a Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprises Inc

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

DATE 1/23/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety

DATE 1/23/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 02/23/09


Synergistic Enterprises Inc

BY: Nathaniel Lodwig
Nathaniel Lodwig, PresidentDATE 1/23/08BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a suretyDATE 1/23/08

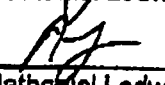
EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises Inc, a Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of \$30,000.00 (Thirty Thousand 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's re-investment in properties. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprises Inc

BY: 
Nathaniel Lodwig, President

DATE 1/23/12

BY: 
Nathaniel Lodwig, Individually as a co-maker and not as a surety

DATE 1/23/12

Exhibit L

DOT #6

CONFIRMED
COPY

When recorded return to:

Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98569**DEED OF TRUST**

(For use in the State of Washington only)

Escrow No.: P121107-03

Title Order No.: A168640

THIS DEED OF TRUST, made this 31st day of January, 2008, between

Synergistic Enterprises Inc, a Washington Corporation

as GRANTOR(S)

whose street address is PO Box 173, Montesano, WA 98563

and

Andrews Legal Services, PLLC

as TRUSTEE

whose street address is 560 Point Brown Ave. NE/P.O Box 2068, Ocean Shores, WA 98569

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor, Washington:

Parcel A:

Lot 40, Ocean Shores Division No. 14, as per plat recorded in Volume 8 of Plats, pages 172-178, records of Grays Harbor County;

Parcel B:

Lot 22, Block 8, Ocean Shores Division No. 17, as per plat recorded in Volume 9 of Plats, page 34, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.COMMON ADDRESS: 915 PT. BROWN AVE. SW, OCEAN SHORES, WA
1065 CRESTSHIRE LOOP, OCEAN SHORES, WA

Tax Parcel Number(s): 092700004000/093300902200

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of Thirty Thousand and 00/100 Dollars (\$30,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on January 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

LPB 22A-05(b-1)



DEED OF TRUST (Continued)

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.
6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property. Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.
7. DUE ON SALE: (OPTIONAL - not applicable unless initiated by Grantor and Beneficiary) The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

RG
Grantor (Initials)

CEU
Beneficiary (Initials)

IT IS MUTUALLY AGREED THAT:

8. In the event that any portion of the property is taken or damage in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.
9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by

LPB 22A-05(u-1)



DEED OF TRUST (Continued)

this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. ☐ NONE

OR

b. ☒ As set forth on the attached "Exhibit A" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 1/23/2008

Synergistic Enterprises Inc

BY: [Signature]
Nathaniel Lodwig, President

BY: [Signature]
Nathaniel Lodwig, Individually as a co-maker and not as a surety

STATE OF Washington

COUNTY OF Grays Harbor

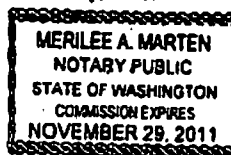
I, Merilee A. Marten, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Lodwig, President of Synergistic Enterprises Inc. and Nathaniel Lodwig, Individually personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 23rd day of January, 2008.

[Signature]
Notary Public

My Commission Expires:

(SEAL)



LFB 22A-05(LN)

DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

LPB 22A-05(b-1)

2008-01310060 01/31/2008 03:03 PM DTRUST
Page 4 of 5 R 47.00 Grays Harbor Co., WA
GRAYS HARBOR TITLE




DEED OF TRUST
(Continued)

EXHIBIT "A"

The Beneficiary agrees to release the lot located at 1065 Crestshire Loop for payment of \$15,000.00,
and the lot located at 815 Pt. Brown Ave. SW for \$15,000.00.

LPS 22A-05(r4)

2008-01310850 01/31/2008 03:03 PM DTRUST
Page 3 of 5 R 47.00 Grays Harbor Co, WA
GRAYS HARBOR TITLE


)

)

Exhibit M

Note #7

COPY

**ALL INCLUSIVE COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 150,000.00****Ocean Shores, Washington****Date: 03/12/2008**

For Value received, Synergistic Enterprises, Inc., A Washington Corporation, promises to pay to Charles E. Utterback, at P.O. Box 2153, Ocean Shores, WA 98569, OR any other place as the holder may direct in writing the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00), with interest from 3/12/2008, on unpaid principal balance at the rate of Twelve Percent (12.000%) per annum; principal and interest payable in monthly installments of Three Thousand and 00/100 Dollars (\$ 3,000.00) or more at the maker's option beginning on the 04/23/08 and continuing until the 03/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within five (5) days of the date specified. This charge shall be six percent (6%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen (18%) per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A, B & C for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises, Inc., A Washington Corporation

PAYEE'S APPROVAL & ACCEPTANCE

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 3/6/08

BY: Nathaniel Lodwig

Nathaniel Lodwig, Individually as a co-maker and not as a surety.

Date 3/6/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE THE 03/23/09.

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

DATE 3/6/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety.

DATE 3/6/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrowers Synergistic Enterprises, Inc., A Washington Corporation (hereinafter "Borrowers") desire to borrow a total amount of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) from Charles E. Utterback (hereinafter "Lenders"). Borrowers acknowledge that they have been advised that the interest rates provided for in this Promissory Note evidencing the loan, exceed the lawful interest rates for consumer loans. Borrowers further acknowledge that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrowers specifically state and allege that this loan is for the purposes of use in the Borrowers' REINVESTMENT IN PROPERTIES business. Lenders have relied on the representations of Borrowers in making the subject loan. If not for the business nature of the loan, Lenders would not be involved with this transaction.

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

DATE 3/6/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety.

DATE 3/6/08

EXHIBIT C

Grantor and Beneficiary, the language of the Deed of Trust to the contrary notwithstanding, agree as follows:

1. This Deed of Trust is subject and subordinate to a First Deed of Trust recorded under recording No. 200803120002 records of Grays Harbor County, Washington to secure the payment of a note. This First Deed of Trust and Note are referred to below for convenience as "first encumbrance" and "first note."
2. This is an "all-inclusive" Deed of Trust, securing a Note for One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00), which includes an obligation to Ruth Elkins in the sum of One Hundred Twenty-five Thousand and 00/100 Dollars (\$125,000.00). Beneficiary hereby agrees with grantor to discharge that obligation in accordance with its terms and conditions.
3. Grantor agrees to comply with all terms and conditions of the first encumbrance and first note other than with respect to monthly payment of interest and principal due under the first encumbrance and first note, and grantor's failure to do so shall constitute a default under this Deed of Trust. Any default under this Deed of Trust shall entitle beneficiary to exercise, at his option any one or more of the following remedies provided herein:
 - a. To declare the Note secured hereby immediately due and payable in full upon demand;
 - b. To judicially or non-judicially foreclose this Deed of Trust;
 - c. To perform such terms and conditions as are in default; and/or
 - d. To make full or partial payments of the principal or interest on the first note, or other encumbrance if any; and/or
 - e. To purchase, discharge, compromise or settle the first encumbrance, including liens for taxes and assessments.

In the event that beneficiary so elects to make any payment for any other purposes herein utilized and/or perform and act upon which Grantor has defaulted, then at the option of the beneficiary all monies so paid and all costs and expenses incurred thereby, including reasonable attorney's fees, may be added to the debt which is secured by this Deed of Trust and bear penalty and interest as specified in the note until paid, and grantor's failure to reimburse beneficiary upon demand therefore shall constitute a further event of default under this Deed of Trust.

4. a. Provided that Grantor is not in default under the terms of this Deed of Trust or the note secured thereby and provided, further, that the grantor is in compliance with all of the terms, covenants, conditions and provisions of the first Deed of Trust and first note, beneficiary will make first application each month of the funds received from grantor as monthly payments upon the note secured by this Deed of Trust, and pay out of such funds the amount due each month to the holder of the first Deed of Trust and first note according to the terms thereof.

b. Grantor does not assume any of the obligations of beneficiary under the first Deed of Trust and first note.

c. Grantor will not make any payments whatsoever directly to the holder of the first Deed of Trust and first note, including any prepayment, or request for any release, partial release, amendment, or other modification of the first Deed of Trust or first note, except in accordance with the terms and conditions of the promissory note secured by this Deed of Trust, or without the prior written consent of beneficiary, his successors and assigns.

d. If beneficiary shall default in making required payments of the first encumbrance or first note, grantor shall have the right to advance the funds necessary to cure such default and all funds so advanced, together with interest at twelve percent (12%) per annum, shall be credited against the next installment of interest and principal due under the note secured by this Deed of Trust.

e. Grantor agrees that, to the extent beneficiary pays any installment of principal or interest, or any other sums due the holder of the first encumbrance, beneficiary shall (1) become entitled to a lien on the premises encumbered hereby but equal in rank and priority to the first encumbrance; and (2) become subrogated to, receive, and enjoy all of the rights of the first encumbrance granted under the first encumbrance; and (3) the first encumbrance shall remain in existence to further secure any indebtedness hereunder.

5. With respect to any condemnation award or settlement in lieu thereof, or to any amount collected under any fire or other insurance policy, or to any prepayments made by grantor with the prior written consent of beneficiary, and proceeds or funds received by the holder of the first note and credited to the indebtedness secured by the first encumbrance with the result that beneficiary's obligation hereunder to pay the holders of the first note the unpaid principal balance as hereinbefore provided is reduced, and with respect to any proceeds or funds received by the beneficiary hereunder from any condemnation award or settlement in lieu thereof, or collected under any fire or other insurance policy, or any permitted prepayment, then such funds shall be credited to the unpaid principal balance of the note secured hereby. All such credits shall be applied against the unpaid principal installments of the note secured hereby in the inverse order of their due date.

6. Grantor and beneficiary agree to send promptly to the other, copies of any notices of default or otherwise received by them from the holder of the first encumbrance.

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

DATE 3/6/08

BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as a co-maker and not as a surety.

DATE 3/6/08

)

)

Exhibit N

DOT #7

AFTER RECORDING MAIL TO:
Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98569

Confirmed Copy

ALL INCLUSIVE DEED OF TRUST
(For use in the State of Washington only)

Escrow No. P020608-02A
Title Order No. A169782

THIS DEED OF TRUST, made this 3/12/2008

between

Synergistic Enterprises, Inc., A Washington Corporation.
whose address is P.O. Box 173 Montesano, WA 98563

GRANTOR,

Andrews Legal Services, PLLC
whose address is PO Box 2168 Ocean Shores, WA 98569

TRUSTEE,

and

Charles E. Utterback
whose address is P.O. Box 2153 Ocean Shores, WA 98569

BENEFICIARY,

WITNESSETH: Grantor hereby bargains, sells, and conveys to Trustee in trust, with power of sale, the following described real property in Grays Harbor County, Washington:

See Attached Exhibit "A" for Full Legal Description

ABBREVIATED LEGAL DESCRIPTION: Lot 565, OS Div. 3; Lots 373, 584, 623A, 655, & 717 OS Div. 4; Lots 277 & 301, OS Div. 8; Lots 334 & 701, OS Div. 11

Assessor's Property Tax Parcel/Account numbers: 090500056500, 090700037300, 090700058400, 090700062301, 090700065500, 090700071700, 091700027708, 091700030100, 092300033400, 092300070100

No Exhibit "B"

Exhibit "C" is Release Clause

THIS DEED OF TRUST IS SUBJECT TO THAT CERTAIN DEED OF TRUST IN THE ORIGINAL AMOUNT OF \$125,000.00, DATED MARCH 12, 2008 AND RECORDED 03-12-08 IN GRAYS HARBOR COUNTY UNDER AUDITORS FILE NO. 2080312002

which real property is not used principally for agricultural or farming purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter thereunto belonging or in any wise appertaining, and the rents, issues and profits thereof.

This deed is for the purpose of securing performance of each agreement of Grantor herein contained, and payment of the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by Grantor, and all renewals, modifications, and extensions thereof, and also such further sums as may be advanced or loaned by Beneficiary to Grantor, or any of their successors or assigns, together with interest thereon at such rate as shall be agreed upon.

To protect the security of this Deed of Trust, Grantor covenants and agrees:

1. To keep the property in good condition and repair; to permit no waste thereof; to complete any building, structure, or improvement being built or about to be built thereon; to restore promptly any building, structure, or improvement thereon which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.
2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.
3. To keep all buildings now or hereafter erected on the property described herein continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary, as its interest may appear, and then to the Grantor. The amount collected under any insurance policy may be applied upon any indebtedness hereby secured in such order as the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of foreclosure, all rights of the Grantor in insurance policies then in force shall pass to the purchaser at the foreclosure sale.
4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.
5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured hereby and Trustee's and attorney's fees actually incurred, as provided by statute.



6. Should Grantor fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances or other charges against the property hereinabove described. Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured hereby, shall be added to and become a part of the debt secured in this Deed of Trust.

IT IS MUTUALLY AGREED THAT:

1. In the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured hereby, shall be paid to Beneficiary to be applied to said obligation.
2. By accepting payment of any sum secured hereby after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.
3. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.
4. Upon default by Grantor in the payment of any indebtedness secured hereby or in the performance of any agreement contained herein, all sums secured hereby shall immediately become due and payable at the option of the Beneficiary. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
5. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser the interest in the property which Grantor had or had the power to convey at the time of his execution of this Deed of Trust, and such as he may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
6. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
7. In the event of the death, incapacity, disability, or resignation of Trustee, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor, Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
8. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

Dated: 3-5-2008

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

BY: Nathaniel Ludwig
Nathaniel Ludwig, individually as a co-maker and not as a surety.

State of Washington)
County of Grays Harbor) ss.

I certify that I know or have satisfactory evidence that is/are the person(s) who appeared before me, Nathaniel Ludwig, known to me to be the President of Synergistic Enterprises, Inc. a Washington Corporation and said person(s) acknowledged that HE signed this instrument and acknowledged it to be the free and voluntary and deed of said corporation, for the uses and purposes therein mentioned, and on oath stated that he was authorized to execute said instrument.

Dated: 3-06-08



Jo Ann Lyons
Notary Public in and for the State of Washington
Residing at: Ocean Shores
My appointment expires: 5-09-11

Page 2 of 3

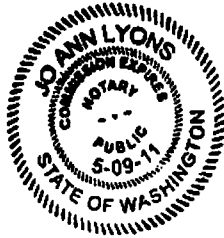
2008-03120803 03/12/2008 08:54 AM DTRUST
Page 2 of 7 R 49.00 Grays Harbor Co, WA
GRAY HARBOR TITLE



State of Washington)
) ss.
 County of Grays Harbor)

I certify that I know or have satisfactory evidence that is/are the person(s), Nathaniel Lodwig who appeared before me, and said person(s) acknowledged that HE signed this instrument and acknowledged it to be HIS free and voluntary act for the uses and purposes mentioned in this instrument.

Dated: 3-06-08



Jo Ann Lyons
 Notary Public in and for the State of Washington
 Residing at: Ocean Shores
 My appointment expires: 5-09-11

REQUEST FOR FULL RECONVEYANCE

Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____ 20____

EXHIBIT A _ LEGAL DESCRIPTION

PARCEL 1:

Lot 565, Ocean Shores Division No. 3, as per plat recorded in Volume 8 of Plats, page 67,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 2:

Lot 373, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page 65,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 3:

Lot 584, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page 65,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 4:

Lot 623A, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page
65, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 5:

Lot 655, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page 65,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 6:

Lot 717, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page 65,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 7:

Lot 277, Ocean Shores Division No. 8, as per plat recorded in Volume 8 of Plats, page 67,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 8:

Lot 301, Ocean Shores Division No. 8, as per plat recorded in Volume 8 of Plats, page 67,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

EXHIBIT A _ LEGAL DESCRIPTION

PARCEL 9:

Lot 334, Ocean Shores Division No. 11, as per plat recorded in Volume 8 of Plats, page 180, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 10:

Lot 701, Ocean Shores Division No. 11, as per plat recorded in Volume 8 of Plats, page 180, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

Assessor's Property Tax Parcel No.: 090500058500, 090700037300, 090700058400,
090700062301, 090700065500, 090700071700, 091700027700, 091700030100, 092300033400,
092300070100

Abbreviated Legal Description: Lot 565, OS Div. 3; Lots 373, 684, 623A, 655, & 717 OS Div. 4;
Lots 277 & 301, OS Div. 8; Lots 334 & 701, OS Div. 11



EXHIBIT "A"

NOTE 1: Property addresses are as follows:

281 Dolphin Ave., NE
Ocean Shores, WA 98569
Affects: Parcel 1
484 Sextans Ave., SW
Ocean Shores, WA 98569
Affects: Parcel 2
140 S. Narwhal Loop SW
Ocean Shores, WA 98569
Affects: Parcel 3
140 S. Oak Loop SW
Ocean Shores, WA 98569
Affects: Parcel 4
224 S. Oak Loop SW
Ocean Shores, WA 98569
Affects: Parcel 5
184 S. Port Loop, SW
Ocean Shores, WA 98569
Affects: Parcel 6
252 Calawah St
Ocean Shores, WA 98569
Affects: Parcel 7
132 Calawah St, SW
Ocean Shores, WA 98569
Affects: Parcel 8
210 S. Wynncochse Drive
Ocean Shores, WA 98569
Affects: Parcel 9
151 Seagate St
Ocean Shores, WA 98569
Affects: Parcel 10

DEED OF TRUST
(Continued)

EXHIBIT "C"

Release Clause is as follows:

381 Dolphin Ave (080500058500) \$25,000.00

484 Sextans Ave SW (080700037300), 140 S. Narwhal Loop SW (080700058400), 140 S. Oar Loop

SW (080700062301) \$16,000.00 Each

All Others \$15,000.00 Each

LPS 22A-03(r-1



Exhibit O

Note #8

COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 150,000.00****Ocean Shores, Washington****04/01/08**

For Value received, Synergistic Enterprises, Inc., A Washington Corporation, promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of \$150,000.00 (One Hundred Fifty Thousand 00/100 Dollars), with interest from 04/01/08, on unpaid principal balance at the rate of 12.00% (Twelve percent) per annum; principal and interest payable in monthly installments of \$ 3,000.00 (Three Thousand 00/100 Dollars) or more at the maker's option beginning on 05/23/08 and continuing until 04/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Six percent (6.00%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of 18.0000 per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2.00%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2.00%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises, Inc., A Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 3/31/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, individually as a co-maker and not as a surety.

Date 3/31/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 04/23/09

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 3/31/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, individually as a co-maker and not as a surety.

Date 3/31/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises, Inc., A Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of \$150,000.00 (One Hundred Fifty Thousand 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's Re-investment in other properties. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 3/31/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety.

Date 3/31/08

Exhibit P

DOT #8

CONFORMED
COPY

When recorded return to:

Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98569

DEED OF TRUST

(For use in the State of Washington only)

Escrow No.: P020608-03B

Title Order No.: A-159783

THIS DEED OF TRUST, made this 4th day of April, 2008, between

Synergistic Enterprises, Inc., A Washington Corporation

as GRANTOR(S)

whose street address is P.O. Box 173, Montesano, WA 98563

and

Andrews Legal Services, PLLC

as TRUSTEE

whose street address is P.O. Box 2068, Ocean Shores, WA 98569

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor, Washington:

Lot 84, Blk D, Div 1/Lot 230, Div 2/Lot 438, Div 2/Lot 486, Div 2/Lot 242, Div 4/Lot 603, Div 4/Lot 84, Div 10/Lot 101, Div 10/Lot 668, Div 11/Lot 710, Div 11

See Attached Exhibit "A" for full legal description

Subject to: See attached Exhibit "B"

Tax Parcel Number(s): SEE ATTACHED EXHIBIT "A"

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on April 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.

LPB 22A-05(4)

2008-04078091 04/07/2008 03:38 PM DTRUST
Page 1 of 7 R 48.00 Grays Harbor Co, WA
GRAYS HARBOR TITLE

DEED OF TRUST

(Continued)

2. To pay before delinquent all lawful taxes and assessments upon the property, to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.

7. DUE ON SALE: (OPTIONAL - not applicable unless initiated by Grantor and Beneficiary) The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

IT IS MUTUALLY AGREED THAT:

Grantor (Initials)



Beneficiary (Initials)



8. In the event that any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.

9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was

DEED OF TRUST (Continued)

conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.

13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. ☐ NONE

OR

b. ☒ As set forth on the attached "Exhibit B" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 4/4/08

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety.

STATE OF Washington

COUNTY OF Grays Harbor

I, Merilee A. Marten, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Lodwig, President of Synergistic Enterprises, Inc., A Washington Corporation and Nathaniel Lodwig, individually personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 4 day of April, 2008.

Merilee A. Marten
Notary Public

My Commission Expires: 11/29/11

(SEAL)



LPB 22A-05(v-1)

2008-04070091 04/07/2008 03:38 PM DTRUST
Page 3 of 7 R 49 00 Grays Harbor Co., WA
GRAY'S HARBOR TITLE

DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____



DEED OF TRUST
(Continued)

EXHIBIT "B"

Beneficiary agrees to release the lot located at 804 Anchor ave for the principal payment of \$20,000.00, the lot located at 353 N. Wynoochee Dr. SW for the principal payment of \$18,000.00 and all other lots will be released for the principal payment of \$16,000.00 each.

LPB 22A-05(v-1)

2008-04070091 04/07/2008 03:38 PM DTRUST
Page 5 of 7 R 40.00 Grays Harbor Co, WA
GRAYS HARBOR TITLE



PARCEL 6: 090700060300

Lot 603, Ocean Shores Division No. 4, as per plat recorded in Volume 8 of Plats, page 65,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 7: 092100009400

Lot 94, Ocean Shores Division No. 10, as per plat recorded in Volume 8 of Plats, page 18,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 8: 092100010100

Lot 101, Ocean Shores Division No. 10, as per plat recorded in Volume 8 of Plats, page 118,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 9: 092300066800

Lot 668, Ocean Shores Division No. 11, as per plat recorded in Volume 8 of Plats, pages 160
to 163, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 10: 092300071000

Lot 710, Ocean Shores Division No. 11, as per plat recorded in Volume 8 of Plats, page 160,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

Property addresses are as follows:

804 Anchor Ave.
Ocean Shores, WA 98569
Affects: Parcel 1

116 N. Car Loop NW
Ocean Shores, WA 98569
Affects: Parcel 2

353 Ensign Ave., NW
Ocean Shores, WA 98569
Affects: Parcel 3

269 Ensign Ave., NW
Ocean Shores, WA 98569
Affects: Parcel 4

331 Cygnus Ave., SW
Ocean Shores, WA 98569
Affects: Parcel 5

185 S. Nanwal Loop SW
Ocean Shores, WA 98569
Affects: Parcel 6

353 N. Wynoochee Dr. SW
Ocean Shores, WA 98569
Affects: Parcel 7

331 N. Wynoochee Dr. SW
Ocean Shores, WA 98569
Affects: Parcel 8

131 S. Razor Clam Dr.
Ocean Shores, WA 98569
Affects: Parcel 9

129 Seagate St.
Ocean Shores, WA 98569
Affects: Parcel 10

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Exhibit Q

Note #9

COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 150,000.00 Ocean Shores, Washington 04/25/08**

For Value received, Synergistic Enterprises, Inc., A Washington Corporation, promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of \$150,000.00 (One Hundred Fifty Thousand 00/100 Dollars), with interest from 04/25/08, on unpaid principal balance at the rate of 12.00% (Twelve percent) per annum; principal and interest payable in monthly installments of \$ 3,000.00 (Three Thousand 00/100 Dollars) or more at the maker's option beginning on 06/23/08 and continuing until 04/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Six percent (6.00%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of 18.00% per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises, Inc., A Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not a surety

DATE 4/23/08

DATE 4/23/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 04/23/09

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

DATE 4/23/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not a surety

DATE 4/23/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises, Inc., A Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of \$150,000.00 (One Hundred Fifty Thousand 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's SPEC HOME business. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

DATE 4/23/08

BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as a co-maker and not a surety

DATE 4/23/08

)

)

Exhibit R

DOT #9

When recorded return to:

CONFORMED
COPY

Charles E. Utterback
P.O. Box 2163
Ocean Shores, WA 98569

DEED OF TRUST
(For use in the State of Washington only)

Escrow No.: P030508-01
Title Order No.: A-160015

THIS DEED OF TRUST, made this 25th day of April, 2008, between

Synergistic Enterprises, Inc., A Washington Corporation

as GRANTOR(S)
whose street address is P.O. Box 173, Montesano, WA 98563

and

Andrews Legal Services, PLLC

as TRUSTEE
whose street address is P.O. Box 2088, Ocean Shores, WA 98569

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor County, Washington:

Lot 179, Div 8/091700017800	Lot 410, Div 9/091900041000
Lot 128, Div 10/092100012800	Lot 13, Blk 4, Div 17/0833000101300
Lot 4, Blk 8, Div 18/083700000400	Lot 9, Blk 7, Div 18A/084100700900
Lot 38, Blk 10, Div 19A/094101003800	Lot 9, Blk 12, Div 19A/094101200900
Lot 8, Blk 8, Div 22/094700800800	Lot 29, Blk 8, Div 22/094700802800

See Attached Exhibit "A" for full legal descriptions

See Attached Exhibit "B" for subject to items

Tax Parcel Number(s): SEE ABOVE

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on April 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore

LPB 22A-05(M)

2008-04250895 04/25/2008 03:18 PM OTRUST
Page 1 of 7 R 48.00 Grays Harbor Co, WA
GRAY'S HARBOR TITLE

DEED OF TRUST
(Continued)

promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property; to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust

3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of attorney's fees actually incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.

7. DUE ON SALE: (OPTIONAL - not applicable unless initialed by Grantor and Beneficiary) The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

IT IS MUTUALLY AGREED THAT:

Grantor (Initials)

Beneficiary (Initials)

8. In the event that any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.

9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

DEED OF TRUST

(Continued)

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. ☐ NONE

OR

b. ☒ As set forth on the attached "Exhibit _____" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 4/25/08

Synergistic Enterprises, Inc., A Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as a co-maker and not a surety

STATE OF Washington

COUNTY OF Grays Harbor

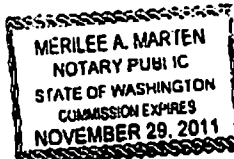
Merilee A. Marten, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Ludwig, President of Synergistic Enterprises, Inc., A Washington Corporation and Nathaniel Ludwig, Individually personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 25 day of April, 2008.

Merilee A. Marten
Notary Public

My Commission Expires: 11/29/11

(SEAL)



LPB 22A-05(h-1)

2008-04250005 04/25/2008 03:19 PM DTRUST
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GRAYS HARBOR TITLE



DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

LPB 22A-050r-1

2028-04290063 **04/25/2008 03:19 PM** **DTRUST**

Page 4 of 7 **R 48.00** **Grays Harbor Co., WA**

GRAYS HARBOR TITLE

[Barcode]

DEED OF TRUST
(Continued)**EXHIBIT ""**

The beneficiary will release the 3 lots commonly known as 1237 Storm King, 1036 Brentwood Pl and 443S. Portal Loop with a principal payment of \$16,000.00 each. The 3 lots commonly known as 252 N. Wynoochee Dr., 213 N. Wynoochee Dr. and 1448 Storm King for the principal payment of \$18,000.00 each. The 2 lots commonly known as 1428 Sand Pebble and 308 Lake Bay Loop for a principal payment of \$20,000.00 each. The 2 lots commonly known as 198 Cakesota St and 341 Redwood Ct. for the principal payment of \$22,000.00 each.

LPB 22A-05(1-1)

2008-04250095 04/25/2008 03:19 PM DTRUST
Page 3 of 7 R 40.00 Grays Harbor Co, WA
GRAYS HARBOR TITLE

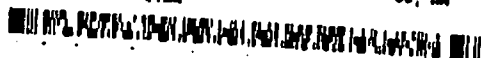


Exhibit A

PARCEL 1: 091700017900

Lot 179, Ocean Shores Division No. 8, as per plat recorded in Volume 8 of Plats, page 87,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 2: 091900041000

Lot 410, Ocean Shores Division No. 8, as per plat recorded in Volume 8 of Plats, page 108
and Ocean Shores Corrected Plat of Division No. 8, as per plat recorded in Volume 8 of
Plats, page 114, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 3: 092100012800

Lot 128, Ocean Shores Division No. 10, as per plat recorded in Volume 8 of Plats, page
118, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 4: 093300401300

Lot 13, Block 4, Ocean Shores Division No. 17, as per plat recorded in Volume 9 of Plats,
page 34, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 5: 093700600400

Lot 4, Block 6, Ocean Shores Division No. 18, as per plat recorded in Volume 9 of Plats,
page 58, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 6: 094100700900

Lot 9, Block 7, Ocean Shores Division No. 18-A, as per plat recorded in Volume 9 of Plats,
page 121, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 7: 094101003600

Lot 36, Block 10, Ocean Shores Division No. 18-A, as per plat recorded in Volume 9 of
Plats, page 121, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 8: 094101200900

Lot 9, Block 12, Ocean Shores Division No. 18-A, as per plat recorded in Volume 9 of
Plats, page 121, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 9: 094700800800

Lot 8, Block 8, Ocean Shores Division No. 22, as per plat recorded in Volume 9 of Plats,
page 56, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 10: 094700802900

Lot 28, Block 8, Ocean Shores Division No. 22, as per plat recorded in Volume 9 of Plats,
page 56, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

EXHIBIT B. SUBJECT TO ITEMS:

Preliminary estimated assessment in an unknown amount for Street Improvement under Street LID No. 2007-1.

Agreements, Conditions, Restrictions and Reservations Regarding Ownership of Real Property in Ocean Shores, Washington;
Recorded: September 2, 1988
File No.: 880902102
A copy of which is hereto attached.
Affects: Parcel 9

Past, present, and future assessments, if any, of Ocean Shores Community Club, Inc., as disclosed by the Claim of Lien recorded October 16, 1970, under Auditor's File No. 288149, Volume 81 of General, page 635, by Ocean Shores Community Club, claimant, against all the Lots in all the Divisions, Blocks, and Tracts in the Plat of Ocean Shores, Grays Harbor County, Washington, and the owners thereof.

Note: Said Lien was re-recorded March 1, 1983, under Auditor's File No. 830302014, Microfilm No. 83 03505, records of Grays Harbor County.
Affects: Parcels 1, 3, 4, 6, 7, 8, 9, and 10

Subject to the provisions of the "Amended and Restated Articles of Incorporation" and the "Amended and Restated By-Laws" of the Ocean Shores Community Club, Inc., or as may be amended and of these covenants, including but not limited to all of the dues and assessments (past, present, and future) of the Ocean Shores Community Club, Inc., as shall be levied in accordance with its "Amended and Restated By-Laws" and any amendments thereto, as disclosed by Amendments to Restrictive Covenants recorded October 30, 1988, under Auditor's File No. 881030041, Microfilm No. 88 25816.

Affects: Parcels 1, 3, 4, 6, 7, 8, 9, and 10
Restrictive covenants and amendments thereto, slope rights, and assessments appearing on the face of the Plat:

Restrictive covenants and assessments appearing on the face of the Plat of Ocean Shores Division No. 17, as per plat recorded in Volume 9 of Plats, pages 34 thru 46, records of Grays Harbor County and amended by Declaratory Judgment filed February 5, 2007 in the Grays Harbor County Superior Court Cause No. 05-2-00486-4 and recorded February 21, 2007 in the Grays Harbor County Auditor's Office under File No. 2007-02210053, pages 28, 29 and 30 attached.
Affects: Parcel 4

Reservations contained in instrument:
Recorded: June 20, 1980
File No.: 84580, Volume 400 of Deeds, page 338
Reserving: all oil and mineral rights

Amendment to Reservation
Recorded: February 17, 1987
File No.: 182488
Purpose: to provide reasonable compensation for any damage to surface rights per agreement

Exceptions and reservations, including the terms and conditions thereof:
Recorded: March 7, 1980
File No.: 80580, Volume 400 of Deeds, page 622
Reserving: all oil, gases, coal, ores, minerals, sands, etc., and the right of entry for opening, developing, and working mines, etc., provided that no rights shall be exercised until provision has been made for full payment of all damages sustained by reason of such entry.

Property addresses are as follows:

262 N. Wynooches Drive SW
Ocean Shores, WA 98569
Affects: Parcel 1

188 Cakesista St., SE
Ocean Shores, WA 98569
Affects: Parcel 2

213 N. Wynooches Drive SW
Ocean Shores, WA 98569
Affects: Parcel 3

1038 Brentwood Place
Ocean Shores, WA 98569
Affects: Parcel 4

1237 Storm King Ave.
Ocean Shores, WA 98569
Affects: Parcel 5

443 E. Portal Loop
Ocean Shores, WA 98569
Affects: Parcel 6

1428 Sand Pebble Ave.
Ocean Shores, WA 98569
Affects: Parcel 7

1448 Storm King Ave.
Ocean Shores, WA 98569
Affects: Parcel 8

341 Redwood Court SE
Ocean Shores, WA 98569
Affects: Parcel 9

808 Lake Bay Loop SE
Ocean Shores, WA 98569
Affects: Parcel 10

Exhibit S

Note #10

COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 50,000.00****Ocean Shores, Washington****08/01/08**

For Value received, Synergistic Enterprises Inc., A Washington Corporation, promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of \$50,000.00 (Fifty Thousand 00/100 Dollars), with Interest from 08/01/08, on unpaid principal balance at the rate of 12.00% (Twelve percent) per annum; principal and interest payable in monthly installments of \$ 1,000.00 (One Thousand 00/100 Dollars) or more at the maker's option beginning on 09/23/08 and continuing until 08/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Eight percent (8.00%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of 18.00% per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises Inc., A Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprise Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 7/25/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety

Date 7/25/08

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 08/23/09

Synergistic Enterprise Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, PresidentDate 8/25/08BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a suretyDate 8/25/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises Inc., A Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of \$50,000.00 (Fifty Thousand 00/100 Dollars) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's re-investment in properties. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprise Inc.

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

Date 7/25/08

BY: Nathaniel Ludwig
Nathaniel Ludwig, individually as a co-maker and not as a surety

Date 7/25/08

)

)

Exhibit T

DOT #10

CONFIRMED
COPY

When recorded return to:

Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98569

DEED OF TRUST
(For use in the State of Washington only)

Escrow No.: P070708-03
Title Order No.: A-160992

THIS DEED OF TRUST, made this 1st day of August, 2008, between
Synergistic Enterprises Inc., A Washington Corporation

as GRANTOR(S)

whose street address is P.O. Box 173, Montesano, WA 98563

and

Andrews Legal Service, PLLC

as TRUSTEE

whose street address is P.O. Box 2068, Ocean Shores, WA 98569

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98569.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor County, Washington:

Lot 47 and 50, Ocean Shores Division No. 10, as per plat recorded in Volume 8 of Plats, page 118, records of Grays Harbor County.

Lot 35, Block 2, Ocean Shores Division No. 20, as per plat recorded in Volume 9 of Plats, page 72, records of Grays Harbor County.

Situate in the County of Grays Harbor, State of Washington.

COMMON ADDRESSES:
640 OCEAN SHORES BLVD SW
664 OCEAN SHORES BLVD SW
858 WAWONA ST

Tax Parcel Number(s): 082100004700/082100005000/094300203500

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of Fifty Thousand and 00/100 Dollars (\$50,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on August 23, 2008.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

DEED OF TRUST
(Continued)

1. To keep the property in good condition and repair, to permit no waste of the property, to complete any building, structure, or improvement being built or about to be built on the property, to restore promptly any building, structure, or improvement being built or about to be built on the property, which may be damaged or destroyed, and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.

2. To pay before delinquent all lawful taxes and assessments upon the property, to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust. In the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of title search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.

7. DUE ON SALE: (OPTIONAL - not applicable unless initiated by Grantor and Beneficiary) The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

IT IS MUTUALLY AGREED THAT:

Grantor (Initials)

Beneficiary (Initials)

8. In the event that any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.

9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive the right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by

LPS 22A-0374

DEED OF TRUST (Continued)

- this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.
12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.
 13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
 14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee is not obligated to notify any party hereto of pending sale under any other Deed of Trust or of an action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.
 15. This Deed of Trust applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.
 16. ADDITIONAL TERMS AND CONDITIONS: (check one)
 - a. ☐ NONE
 - OR
 - b. ☒ As set forth on the attached "Exhibit A" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 8/1/08

Synergistic Enterprise Inc.

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

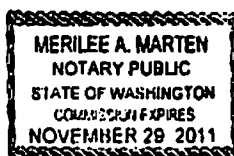
BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as a co-maker and not as a surety

STATE OF Washington
COUNTY OF Grays Harbor

I, Merilee A. Marten, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Lodwig, President of Synergistic Enterprises Inc. and Nathaniel Lodwig, as an individual personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 25 day of July, 2008.

Merilee A. Marten
Notary Public
My Commission Expires: 11/22/11
(SEAL)



LPB 22A-05(1-4)

2008-08012290 08/01/2008 03:32 PM DTRUST
Page 3 of 8 R 47.00 Grays Harbor Co, WA
GRAYS HARBOR TITLE

DEED OF TRUST
(Continued)

EXHIBIT "A"

The Beneficiary agrees to release each lot with a principal payment in the amount of \$20,000.00

LPB 22A-05(LN)

2008-08010050
Page 5 of 5
GRAYS HARBOR TITLE R 47.00 08/01/2008 03:32 PM
Grays Harbor Co., WA OTRUST

Exhibit U

Note #11

COPY**COMMERCIAL PURPOSE PROMISSORY NOTE
(INTEREST INCLUDED - DUE DATE)****\$ 86,000.00****Ocean Shores, Washington****08/15/08**

For Value received, Synergistic Enterprises, Inc., a Washington Corporation, promises to pay to Charles E. Utterback with payments sent to P.O. Box 2153 Ocean Shores, WA 98569 OR any other place as the holder may direct in writing the sum of Eighty Six Thousand 00/100 (\$86,000.00), with interest from 08/15/08, on unpaid principal balance at the rate of Twelve Percent (12.0000%) per annum; principal and interest payable in monthly installments of Seventeen Hundred Twenty 00/100 Dollars (\$ 1,720.00) or more at the maker's option beginning on 09/23/08 and continuing until 08/23/09 on which day the balance of principal and interest shall be due and payable. Each payment shall be credited first on interest and the remainder on principal; and interest shall thereupon cease upon the principal so credited. Principal and interest payable in lawful money of the United States of America.

There shall be a late charge assessed whenever any payment specified above has not been received within (5) days of the date specified. This charge shall be Six percent (6.0000%) of the payment due and shall be remitted by the maker in addition to the regular payment then due. At any time when a late charge has been assessed funds received shall be applied first to any such late charges outstanding, and then to the interest owing, and finally to the outstanding principal balance.

If the imposition of a late charge results in a monthly payment less than the amount of interest accrued for a month, such accrued but unpaid interest will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note. In addition, in the event funds are not received for any particular month, the outstanding late charge, accrued but unpaid interest, and the trust funds requirements, if applicable, will be added monthly to the unpaid principal balance and will thereafter bear interest at the interest rate that is then payable on this Note.

In the event any payments required by this Promissory Note are not paid when due, or in the event maker violated any of the terms and conditions of the Deed of Trust securing this Promissory Note, then the whole sum of both principal and interest shall become due at once without further notice at the option of the holder of this Note.

The default interest rate shall be at the rate of Eighteen Percent (18.0000%) per annum. For the purposes herein, default shall constitute any payments not made when due, including but not limited to regular monthly payments, final payment at maturity, real property taxes, fire or hazard insurance, and senior obligations.

When monies are advanced by beneficiaries such amounts will be added to the principal balance and default interest will be charged thereon.

COPY

On the final payment at maturity, the late charge shall be two percent (2%) of that payment if it has not been received within five (5) days of the date this Note is due. This late charge is assessed to cover the administration costs associated with delinquency. It is not additional interest. If not paid, the two percent (2%) late charge will be added to the unpaid principal balance and will thereafter bear interest at the default interest rate provided on page 1.

If this Note shall be placed with an attorney for collection, or if suit shall be brought to collect any amounts due on this Note, maker promises to pay costs of said action, including a reasonable attorney's fee.

Presentation for payment, notice of dishonor, protest and notice of protest are hereby waived. Failure to exercise any right or option by holder shall not constitute a waiver of successive defaults by maker.

Maker executed this note as a Principal and not as a Surety.

This Promissory Note shall be construed and enforced in accordance with the law of the State of Washington and maker expressly agrees that venue of any action to construe or enforce this Note shall be laid in Grays Harbor County, Washington.

THIS NOTE IS FOR COMMERCIAL PURPOSES ONLY.
THE MAKER FURTHER REPRESENTS AND WARRANTS TO HOLDER
THAT NO PART OF THE PROCEEDS OF THIS LOAN IS TO BE
USED FOR PERSONAL, FAMILY OR HOUSEHOLD PURPOSES OF ANY
PERSON, NOR FOR THE PURCHASE OF ANY CONSUMER GOODS.

Refer to Exhibits A & B for further terms and conditions. Any Exhibits attached hereto shall be incorporated herein by reference.

MAKERS

Synergistic Enterprises, Inc., a Washington Corporation

PAYEES APPROVAL & ACCEPTANCE

Synergistic Enterprises, Inc., a Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, President

Date 8/6/08

BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as Co-Maker and Not as a Surety

Date 8/12/08

COPY

EXHIBIT "A"

1. GRANTOR HEREBY ASSIGNS TO BENEFICIARY ANY AND ALL OF THE GRANTOR'S RIGHT, TITLE, AND INTEREST IN AND TO ANY LEASE OR LEASES UPON THE PREMISES LEGALLY DESCRIBED IN THE DEED OF TRUST WHICH SECURES THIS NOTE, AS ADDITIONAL SECURITY FOR THIS PERFORMANCE BY GRANTOR OR GRANTOR'S OBLIGATIONS HEREUNDER. THIS ASSIGNMENT SHALL BECOME EFFECTIVE UPON SERVICE BY BENEFICIARY OF ANY NOTICE OF DEFAULT IN THE MANNER BY LAW PROVIDED AND SHALL FULLY ENTITLE BENEFICIARY TO RECEIVE ANY RENTS PAID THEREUNDER.
2. IF ALL OR ANY PART OF THE SUBJECT REAL PROPERTY, OR ANY INTEREST HEREIN, IS SOLD OR TRANSFERRED BY THE GRANTOR HEREIN, THEN BENEFICIARY RESERVES THE RIGHT TO DEMAND THE IMMEDIATE AND FULL PAYMENT OF THE THEN OUTSTANDING PRINCIPAL BALANCE.
3. GRANTOR HEREIN AGREES TO PAY BALANCE IN FULL ON OR BEFORE 08/23/09

Synergistic Enterprises, Inc., a Washington Corporation

BY: Nathaniel Ludwig
Nathaniel Ludwig, PresidentDate 8/12/08BY: Nathaniel Ludwig
Nathaniel Ludwig, Individually as Co-Maker and Not as a SuretyDate 8/12/08

EXHIBIT "B"
BORROWER'S STATEMENT

Borrower Synergistic Enterprises, Inc., a Washington Corporation., (hereinafter "Borrower") desires to borrow a total amount of Eighty Six Thousand 00/100 Dollars (\$86,000.00) from Charles E. Utterback (hereinafter "Lender"). Borrower acknowledges that he has been advised that the interest rate provided for in this Promissory Note evidencing this loan, exceeds the lawful interest rates for consumer loans. Borrower further acknowledges that this loan is not a consumer loan, but is a loan for business and commercial purposes, and therefore, is exempt from the statutes of the State of Washington which govern usury. Borrower specifically states and alleges that this loan is for the purpose of use in the Borrower's property investment business. Lender relied on the representations of Borrower in making the subject loan. If not for the business nature of this loan, Lender would not be involved with this transaction.

Synergistic Enterprises, Inc., a Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

Date 8/12/08

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as Co-Maker and Not as a Surety

Date 8/12/08

))

Exhibit V

DOT #11

COPY

CONFORMED
COPY

When recorded return to:

Charles E. Utterback
P.O. Box 2153
Ocean Shores, WA 98589

DEED OF TRUST
(For use in the State of Washington only)

Escrow No.: P080408-01
Title Order No.: A181198

THIS DEED OF TRUST, made this 15th day of August, 2008, between

Synergistic Enterprises, Inc., a Washington Corporation

as GRANTOR(S)
whose street address is PO Box 173, Montesano, WA 98583

and

Andrews Legal Services, PLLC

as TRUSTEE
whose street address is PO Box 2068, Ocean Shores, WA 98589

and

Charles E. Utterback

BENEFICIARY, whose street address is P.O. Box 2153, Ocean Shores, WA 98589.

WITNESSETH: Grantor(s) hereby bargain(s), sell(s), and convey(s) to Trustee in trust, with power of sale, the following described real property in Grays Harbor County, Washington:

Parcel Numbers: 081700010000, 092500001200, 093900204800, 084100400400

FULL LEGAL DESCRIPTION LOCATED ON EXHIBIT A

Common Addresses: 642 Ocean Shores Blvd. SW, 844 Point Brown Ave, 1357 Delta Ct, 473 Hilo Court, all located in Ocean Shores, WA 98589

Tax Parcel Number(s): SEE ABOVE

which real property is not used principally for agricultural purposes, together with all the tenements, hereditaments, and appurtenances now or hereafter belonging or in any way appertaining, and the rents, issues, and profits, of the property.

This Deed of Trust is for the purpose of securing performance of each agreement of Grantor(s) contained in this Deed of Trust, and payment of the sum of Eighty Six Thousand and 00/100 Dollars (\$86,000.00) with interest, in accordance with the terms of a promissory note of even date herewith, payable to Beneficiary or order, and made by the Grantor(s), and all renewals, modifications, and extensions of the note, and also such further sums as may be advanced or loaned by Beneficiary to Grantor(s), or any of the Grantor(s)' successors or assigns, together with interest thereon at the rate agreed upon.

DUE DATE: The entire balance of the promissory note secured by this Deed of Trust, together with any and all interest accrued thereon, shall be due and payable in full on August 23, 2009.

To protect the security of this Deed of Trust, Grantor(s) covenant(s) and agree(s):

1. To keep the property in good condition and repair; to permit no waste of the property; to complete any building, structure, or improvement being built or about to be built on the property; to restore promptly any building, structure, or improvement being built or about to be built on the property which may be damaged or destroyed; and to comply with all laws, ordinances, regulations, covenants, conditions, and restrictions affecting the property.

LPB 22A-05(1-1)

2008-08150047 08/15/2008 03:17 PM 0TRUST
Page 1 of 6 R 48.00 Grays Harbor Co., WA
GRAYS HARBOR TITLE



DEED OF TRUST

(Continued)

2. To pay before delinquent all lawful taxes and assessments upon the property, to keep the property free and clear of all other charges, liens, or encumbrances impairing the security of this Deed of Trust.

3. To keep all buildings now or hereafter erected on the property continuously insured against loss by fire or other hazards in an amount not less than the total debt secured by this Deed of Trust. All policies shall be held by the Beneficiary, and be in such companies as the Beneficiary may approve and have loss payable first to the Beneficiary shall determine. Such application by the Beneficiary shall not cause discontinuance of any proceedings to foreclose this Deed of Trust in the event of a foreclosure, all rights of the Grantor(s) in insurance policies then in force shall pass to the purchaser at the foreclosure sale.

4. To defend any action or proceeding purporting to affect the security hereof or the rights or powers of Beneficiary or Trustee, and to pay all costs and expenses, including cost of the search and attorney's fees in a reasonable amount, in any such action or proceeding, and in any suit brought by Beneficiary to foreclose this Deed of Trust.

5. To pay all costs, fees, and expenses in connection with this Deed of Trust, including the expenses of the Trustee incurred in enforcing the obligation secured by this Deed of Trust and Trustee's and attorney's fees actually incurred, as provided by statute.

6. Should Grantor(s) fail to pay when due any taxes, assessments, insurance premiums, liens, encumbrances, or other charges against the property, Beneficiary may pay the same, and the amount so paid, with interest at the rate set forth in the note secured by this Deed of Trust, shall be added to and become a part of the debt secured in this Deed of Trust.

7. DUE ON SALE: (OPTIONAL - not applicable unless initiated by Grantor and Beneficiary) The property described in this security instrument may not be sold or transferred without the Beneficiary's consent. Upon breach of this provision, Beneficiary may declare all sums due under the note and Deed of Trust immediately due and payable, unless prohibited by applicable law.

IT IS MUTUALLY AGREED THAT:

Grantor (Initials)

Beneficiary (Initials)

8. In the event that any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy in the event any portion of the property is taken or damaged in an eminent domain proceeding, the entire amount of the award or such portion as may be necessary to fully satisfy the obligation secured by this Deed of Trust shall be paid to Beneficiary to be applied to said obligation.

9. By accepting payment of any sum secured by this Deed of Trust after its due date, Beneficiary does not waive its right to require prompt payment when due of all other sums so secured or to declare default for failure to so pay.

10. The Trustee shall reconvey all or any part of the property covered by this Deed of Trust to the person entitled thereto, on written request of the Grantor(s) and the Beneficiary, or upon satisfaction of the obligation secured and written request for reconveyance made by the Beneficiary or the person entitled thereto.

11. Upon default by Grantor(s) in the payment of any indebtedness secured by this Deed of Trust or in the performance of any agreement contained in this Deed of Trust, all sums secured by this Deed of Trust shall immediately become due and payable at the option of the Beneficiary, subject to any cure period provided in the note secured by this Deed of Trust. In such event and upon written request of Beneficiary, Trustee shall sell the trust property, in accordance with the Deed of Trust Act of the State of Washington, at public auction to the highest bidder. Any person except Trustee may bid at Trustee's sale. Trustee shall apply the proceeds of the sale as follows: (1) to the expense of the sale, including a reasonable Trustee's fee and attorney's fee; (2) to the obligation secured by this Deed of Trust; and (3) the surplus, if any, shall be distributed to the persons entitled thereto.

12. Trustee shall deliver to the purchaser at the sale its deed, without warranty, which shall convey to the purchaser all right, title and interest in the real and personal property which Grantor(s) had or had the power to convey at the time of the execution of this Deed of Trust, and such as Grantor(s) may have acquired thereafter. Trustee's deed shall recite the facts showing that the sale was

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action or proceeding in which Grantor(s), Trustee, or Beneficiary shall be a party unless such action or proceeding is brought by the Trustee.

15. This Deed, just applies to, inures to the benefit of, and is binding not only on the parties hereto, but on his/her/their heirs, devisees, legatees, administrators, executors, and assigns. The term Beneficiary shall mean the holder and owner of the note secured hereby, whether or not named as Beneficiary herein.

16. ADDITIONAL TERMS AND CONDITIONS: (check one)

a. ☐ NONE

OR

b. ☒ As set forth on the attached "Exhibit B" which is incorporated by this reference.

(Note: If neither a nor b is checked, then option "a" applies)

Dated: 8-12-2008

Synergistic Enterprises, Inc., a Washington Corporation

BY: Nathaniel Lodwig
Nathaniel Lodwig, President

BY: Nathaniel Lodwig
Nathaniel Lodwig, Individually as Co-Maker and
Not as a Surety

STATE OF Washington

COUNTY OF Grays Harbor

I, Debra A. Marten, a Notary Public of the County and State first above written, do hereby certify that Nathaniel Lodwig acknowledged this individually AND as the President of Synergistic Enterprises, Inc., a Washington Corporation, and that he personally appeared before me this day and acknowledged the due execution of the foregoing instrument.

Witness my hand and official seal, this the 12th day of August, 2008.

Debra A. Marten
Notary Public

My Commission Expires: June 12, 2010
(SEAL)



LPB 22A-06(h-1)

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DEED OF TRUST
(Continued)

conducted in compliance with all the requirements of law and of this Deed of Trust, which recital shall be prima facie evidence of such compliance and conclusive evidence thereof in favor of bona fide purchaser and encumbrancers for value.

13. The power of sale conferred by this Deed of Trust and by the Deed of Trust Act of the State of Washington is not an exclusive remedy; Beneficiary may cause this Deed of Trust to be foreclosed as a mortgage.
14. In the event of the absence, death, incapacity, disability, or resignation of Trustee, or at the discretion of the Beneficiary, Beneficiary may appoint in writing a successor trustee, and upon the recording of such appointment in the mortgage records of the county in which this Deed of Trust is recorded, the successor trustee shall be vested with all powers of the original trustee. The trustee

DEED OF TRUST
(Continued)

REQUEST FOR FULL RECONVEYANCE - Do not record. To be used only when note has been paid.

TO: TRUSTEE

The undersigned is the legal owner and holder of the note and all other indebtedness secured by the within Deed of Trust. Said note, together with all other indebtedness secured by said Deed of Trust, has been fully paid and satisfied; and you are hereby requested and directed, on payment to you of any sums owing to you under the terms of said Deed of Trust, to cancel said note above mentioned, and all other evidences of indebtedness secured by said Deed of Trust delivered to you herewith, together with the said Deed of Trust, and to reconvey, without warranty, to the parties designated by the terms of said Deed of Trust, all the estate now held by you thereunder.

Dated: _____

LFB 22A-05(t-1)

Exhibit A**PARCEL 1:**

Lot 100, Ocean Shores Division No. 8, as per plat recorded in Volume 8 of Plats, page 97,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 2:

Lot 12, Ocean Shores Division No. 12, as per plat recorded in Volume 8 of Plats, page 165,
records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 3:

Lot 46, Block 2, Ocean Shores Division No. 19, as per plat recorded in Volume 9 of Plats,
page 106, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.

PARCEL 4:

Lot 4, Block 4, Ocean Shores Division No. 19-A, as per plat recorded in Volume 9 of Plats,
page 121, records of Grays Harbor County;
Situate in the County of Grays Harbor, State of Washington.



DEED OF TRUST
(Continued)

EXHIBIT "B"

The Release Clause shall be as follows: \$70,000.00, for 844 Pt. Brown Ave, and \$18,000.00 each for 542 Ocean Shores Blvd SW, 1357 Delta Ct. and 473 Hilo Court

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